

EVERY WEEK SINCE 1865

SWINDLE-SHEET SOCIETY: Walter Goodman

THE *Nation*

OCTOBER 6, 1956

20c

CONQUEST OF CANADA

The Great \$ \$ Invasion

by Mark Gayn

Upsala College
Library
East Orange, N.J.

Trading-Stamp Stampede

A Hard Look at Premium Giveaways

by Harvey L. Vredenburg

A COMMUNICATION

After holding public hearings, the Virginia legislature recently passed a bill denying state funds to school boards which permit integration. Among those testifying was Howard H. Carwile, native Virginian and Richmond lawyer long noted locally for his independent views. He was once arrested for insisting on sitting in the Jim Crow section at a church revival meeting. He has been denouncing segregation and attacking reaction in a ten-minute weekly Richmond radio program.

The following is the text of Mr. Carwile's remarks before a state legislative committee.

PRACTICALLY everybody in this body has been saying he is for segregation and against integration. Oh, yes — it is just a question of who can segregate the most effectively, and survive the longest. You have been saying that you are against even a little bit of integration. You couldn't even endure a six-year-old colored child in a white kindergarten. You have been talking about your courage and your principle. Well, I have a little courage and principle, too. I am against segregation — even a little bit of segregation. It is wrong, unconstitutional and indefensible. I am against everything in this fight except peaceful, consistent conformance to the supreme law of the land.

The deeply entrenched enemies of the public-school system have seized upon this highly emotional issue as a weapon for making war against public education in Virginia. Jack Kilpatrick, editor of the *Richmond News Leader*, is not fighting integration as such; he is fighting the public-school system. Senator Harry Byrd and Governor Thomas B. Stanley are fighting the public-school system for a good reason. If our public schools survive, and the people of Virginia ever get the right kind of education, Byrd and Stanley know that the Byrd machine will be voted out of power. The enemies of public education — the proponents of the Governor's plan — fervently tell us how even token integration will destroy the public-school system, but never find time to tell us how perpetual subjection to fiscal strangulation will preserve it.

A state cannot coerce one of its subdivisions into violating the supreme law of the land without itself becoming a principal in the first degree to flagrant violation. In addition, under this monstrous Byrd-Stanley-Kilpatrick plan, every school board in Virginia would

be compelled to become a co-defendant in a conspiracy against the United States Government in order to qualify for state school funds.

The Governor's plan is, in simple language, a brazen submission to these school boards of a choice between going to jail and going out of business. They cannot operate in perpetual defiance of supreme law without going to jail; they cannot operate in a perpetual state of financial strangulation without going out of business. Federal court orders eventually will embrace every school board in Virginia; consequently, the strangulating treatment of Stanley will be administered to every school board in Virginia until the public-school system has been consumed in the flames of diabolical defiance.

The theory that Jack Kilpatrick, the Defenders of State Sovereignty and the Stanley administration are peddling to us is this: The admission of even one colored child to one white school anywhere in Virginia would dynamite a hole in the dyke of defiance and unleash the flood tides of integration all over this Commonwealth, and culminate in the calamity of closing down all public schools in Virginia. That is why they say it has boiled down to a choice between total integration and total defiance.

There are many fallacies and reckless assumptions in this theory. There is not one scintilla of proof that a little integration, or some integration, inevitably will bring forth mass integration in all parts of the state. There is not one iota of proof that a little integration, some integration or much integration will force the closing down of public schools in Virginia. If the press and politicians of Virginia dedicated the same zeal and fervor to bringing about a peaceful conformance to the supreme law as they have to sowing the seeds of disruption and destruction, and inflaming the passions of ignorance and intolerance, there would be no crisis in the public-school system of Virginia.

Governor Stanley tells the people of Virginia over and over that his administration will use every honorable, legal and constitutional means to prevent any racial integration in any public schools of this Commonwealth. I concede that there are honorable, legal and constitutional methods for attempting to modify or repeal laws; but the Governor of Virginia is bringing strange news when he inundates this Commonwealth with a cheap brand of chauvinistic claptrap

about spurning and defying supreme law in an honorable, legal and constitutional manner.

There is not one iota of proof that destroying the public-school system of Virginia on the theory of saving it from an imaginary destruction makes any sense.

—HOWARD H. CARWILE

In This Issue

EDITORIALS

277 •

ARTICLES

280 • Conquest of Canada
by MARK GAYN

283 • Africa's Marginal Man
by JULIUS LEWIN

285 • Swindle Sheet
by WALTER GOODMAN

287 • Trading-Stamp Stampede
by HARVEY L. VREDENBURG

289 • Didactic Poem
by STEPHEN STEPANCHEV

BOOKS AND THE ARTS

290 • American Literary Warfare
by JOHN LYDENBERG

291 • The Expensive Ally
by O. EDMUND CLUBB

292 • Upper Bay (poem)
by HAROLD DICKER

293 • Logic and Truth
by JOHN J. KESSLER

294 • Films
by ROBERT HATCH

295 • Television
by ANNE W. LANGMAN

296 • Music
by B. H. HAGGIN

Crossword Puzzle (opp. 296)
by FRANK W. LEWIS

George G. Kirstein, Publisher
Carey McWilliams, Editor
Victor H. Bernstein, Managing Editor
Robert Hatch, Books and the Arts

Freda Kirchwey, Editorial Contributor
J. A. del Vayo, European Correspondent

Harold Clurman, Theatre
B. H. Haggin, Music
Anne W. Langman, Television
M. L. Rosenthal, Poetry
Mary Simon, Advertising Manager

Staff Contributors: W. Macmahon Ball, Carolus, Maxwell Geismar, Keith Hutchison, Harvey O'Connor, Andrew Roth, Howard K. Smith, Alexander Werth, H. H. Wilson.

The Nation, Oct. 6, 1956, Vol. 183, No. 14

The Nation, published weekly by The Nation Company and copyright 1956, in the U.S.A. by the Nation Associates, Inc., 333 Sixth Avenue, New York 14, N.Y. Second class mail privileges authorized at New York, N.Y.

Subscription Prices Domestic—One year \$7, Two years \$12, Three years \$17. Additional postage per year, Foreign and Canadian \$1.

Change of Address: Three weeks notice is required for change of address, which cannot be made without the old address as well as the new.

Information to Libraries: The Nation is indexed in Readers Guide to Periodical Literature, Book Review Digest, Index to Labor Articles, Public Affairs, Information Service, Dramatic Index.

Editorials

Gunboats Are Obsolete

In the Suez controversy, Sir Anthony Eden has discovered—the hard way—that the ultimatum backed up by the threat of military force is nowadays obsolete as a weapon in diplomacy. Neither domestic opinion nor world opinion will sanction “gunboat” tactics in situations where the danger of provoking a general war is implicit. Less obvious, perhaps, is a related conclusion: that economic sanctions are also obsolete since there is a rival power bloc today from which the boycotted nation can obtain, often at a premium, the supplies and materials it needs to survive. Only sanctions imposed by all major powers, East and West, through the United Nations are likely to prove effective in the present setting.

Sooner or later the British will realize that their use of force in Cyprus is also certain to fail, but for a different reason—and one that reflects some credit, however dubious, upon them. They cannot bring themselves to be sufficiently ruthless to crush the revolt as in Kenya. The manner in which they are carrying out individual executions in Cyprus is calculated to ensure a hundred years’ resistance; the British seem, in fact, to have forgotten entirely the folly of their black-and-tan terror in Ireland. With Nigeria, India, Pakistan and Ceylon—not to mention these United States—as lasting memorials, Sir Anthony and his colleagues should not permit dreams of ancient imperial glories to blind them to the fact that Britain’s ability to recognize new international realities is the key to survival in a rapidly changing world.

The Improvisations of Mr. Dulles

The Dulles policy on Suez becomes increasingly hard to comprehend the more closely certain minor details are examined. On the one hand, the Secretary states it to be his emphatic “thought” that American ship captains arriving at the canal would “hesitate a long time before taking a Soviet pilot aboard.” But the

State Department hesitated not a second in granting Captain Walter A. Equils, veteran U. S. shipping captain, a passport so that he might accept a position with the Egyptian government as a canal pilot. As a matter of fact, seven American pilots have received passports to go to Egypt to take similar jobs. If the purpose of the users’ association is not to reroute traffic around Capetown, then why the loud talk about “drying up the ditch”? By approving passports for American pilots, the State Department has put itself in the position of being regarded as a “strike-breaking” agency by our British and French allies, who have just succeeded in inducing their nationals to withdraw as pilots by dangling the bait of handsome severance payments before their eyes.

As to the fear of Soviet pilots, Mr. Dulles seems to be suggesting that the decision to accept or reject them should be left to the judgment of individual American steamship captains, many of whom doubtless have pleasant enough recollections of the Russian pilots they took aboard American ships at Archangel and Murmansk during World War II. The more one thinks about such details, the more apparent it becomes that the users’ association is not a policy but another of Mr. Dulles’ nifty improvisations—this one designed to forestall any decision on Suez until after November 6.

Putting the President to Work

Dick Nixon, star of the Republican road company, has been in touch with the White House managers, and President Eisenhower is going to have to get out there and hump himself. The notion that the President should protect his uncertain health by confining his campaign to six television appearances prevailed just as long as the public-opinion experts thought the GOP could win in a breeze. Now Nixon has run into some pockets of resistance and has ordered an old-fashioned swing around the country.

The President says he is obliging his friends, and Mr. Hagerty does not think that a heart condition and a recent major operation need put any restrictions on the amount of electioneering the Presi-

dent can now do. Plans are announced for Mr. Eisenhower to appear in Pennsylvania, Ohio, Kentucky and probably Missouri—states in which the Republican bandwagon seems to be losing momentum—and a number of other areas are bidding for the President's person. Plans are well advanced for lunches, photographic sessions with local wheelhorses, motorcades through streets crowded with cheering supporters. At each stop the President will speak: what he will say, however, has not yet been decided. As Messrs. Nixon and Hagerty would probably be the first to agree, what he will say is not very important. The way to get a crowd steamed up is to stage a personal appearance.

Homage To Orwell

No sooner do we get rid of one nightmare about the future than another besets us. It was somewhat reassuring to learn recently from Mr. Anthony West, with the tentative concurrence of Mr. Kingsley Amis, that Airstrip One, the setting of *Nineteen Eighty-Four*, is actually a paranoiac version of George Orwell's preparatory school and not a projection of certain trends in modern society. Even with this explanation, the nightmare remains; but it is humanized, domesticated, made less terrifying. Unfortunately, scientists are less prone than novelists to project private fantasies as to society's future shape and pattern. What, then, is one to make of Automex, the new think-machine devised by the Westinghouse Research Laboratories? Automex has a "built-in intelligence," a remarkable capacity for "dispassionate judgment in distinguishing between success and failure" as well as the ability to distinguish between right and wrong. According to Dr. Morris Ostrovsky, the built-in intelligence of Automex is like that of the man climbing a mountain in total darkness. The climber can see neither the peak nor the ground nor his feet. Yet he is able to detect whether he has gone up or down after he has taken a step. But the best of mountain climbers have been known to break their necks and, besides, what will the theologians at Union and Woodstock and Princeton have to do now that a machine has come along that can process problems of right and wrong? From Big Brother to Automex is quite a step; already Orwell seems a bit old-fashioned. But the real difference, of course, is that Automex is not a fantasy.

Communion On China

The eighty-one-nation conference at the United Nations, called to establish an atoms-for-peace agency, opened with the usual effort by the Soviet Union, India and a group of Arab-Asian nations to seat Communist China. But this time there was no pushing or shoving on either side; the usual reflexes were curiously retarded. No formal vote was recorded; no one asked

for a show of hands. Even more interesting was the silence which greeted the familiar arguments for China's admission advanced by spokesmen for the Communist and uncommitted countries; with the exception of South Korea, South Vietnam and two Latin-American nations, no one joined Dr. T. F. Tsiang in defense of Nationalist China. But if the United States was not pushing to keep China out, the USSR was not pushing to get her in. "Distinctly perfunctory" is the way correspondents characterized Russia's efforts on behalf of Peking. As we have noted before (see: U. S.-China Deadlock by Harold Greer, *The Nation*, February 4), Russia is hardly more anxious to forfeit its role as spokesman for China (a role it would lose, of course, were Peking admitted) than this country is to see Nationalist China ousted.

But despite the equivocal attitude of the two great powers, sentiment for the admission of China is at flood tide at the U. N. At this conference the talk in the corridors is that it will not be long after November 6 before the issue of representation is raised; nor is much doubt expressed concerning the outcome. It might be a good idea, therefore, if spokesmen for both major parties, without waiting for the election returns and despite their almost identical platforms on this issue, were to stop kidding the rest of us and acknowledge that Nationalist China's days at the U. N. are numbered. There is no secret about the fact; it's just that the politicians don't seem to realize that the people are privy to it.

Crude Performance

The House subcommittee chaired by Representative James C. Davis (D. of Georgia), which is investigating the public schools of the District of Columbia, is proving almost exactly the opposite of what it set out to prove. The subcommittee wants to show that Negro students have a lower achievement level than white students. But to the extent that this point has been established—the questioning has been crude and frequently biased—it merely confirms that Negro students recently enrolled in integrated schools are still handicapped by their prior training in inferior segregated schools. And even if the point were granted, it would not necessarily follow that integration should be retarded or abandoned. But apart from this, the interpretation of so-called "achievement tests" is a difficult matter best left in the hands of experienced educators (see: *The Nation*, February 11, p. 102). Hence the most emphatic caveat should be entered to the conclusions being drawn, on the basis of faulty data, by a subcommittee the most active members of which are three signers of the Dixiecrat Manifesto, aided by a counsel who is his own chief witness most of the time.

It should be clear by now that the subcommittee is really not concerned with the District's schools. Its

purpose is to encourage Southern communities to resist the Supreme Court's decision and to broadcast some propaganda in their behalf. The Republicans, of course, are delighted with the way things are going; if the subcommittee's purpose were to create dissatisfaction among Negro voters with the Democratic Party, it could not have planned more effective hearings. (With his usual sharp timing, Vice President Nixon in Kansas City managed, while all this was going on, to call attention to his honorary membership in the NAACP.)

Troublesome as the hearings can be in stimulating resistance to integration, there is no reason to believe that they can arrest the process of integration in the District.

The Absolutely Last Hurrah



The shaded portions of the map, above, are not congealed Rorschach ink blots nor do they represent a deformed tarantula. They delineate the Seventh Congressional District of Massachusetts after the master minds of the state's Republican Party had molded and fashioned it to their heart's desire. Over the years the district had been so heavily Democratic that in 1941 the Republicans, who then controlled the state government, decided to detach any enclaves of possible Republican sentiment and attach them to adjoining districts. The remaining portions were consigned to eternal Democratic domination, much as one might establish a line of credit for an alcoholic at a bar on the assumption that since he was beyond reform, he might as well be made happy for the balance of his days.

That the gerrymandering succeeded beyond the Re-

publicans' wildest expectations is shown by the fact that the district is almost certain to return to Washington a Congressman—Thomas J. Lane—who has just finished serving a jail term for evading payment of \$38,542 in income taxes. Thirteen days after his release from jail, Mr. Lane won the Democratic primary and is, of course, assured of election in November. So firmly is the district now in the Democratic column that Mr. Lane's opponents in the primary were reluctant to call attention to his difficulties with internal revenue; even for rival Democrats to call attention to such matters would be regarded as bad form in the homogenized Seventh. While Congressman Lane found it necessary to waive his salary during the four months he spent in jail, his staff carried on the duties of his office and, judging by the 25,812 votes he received in the primary, managed a highly successful campaign in his behalf.

As with most greedy gerrymandering schemes, the trouble with this one is not that it succeeded, but that it succeeded too well—in reverse.

Executive Discontent

The corporate paternalism of the 1920s and earlier was often used by management to allay discontent that, it was feared, might be tapped by trade-union organizers. But the new paternalism is more concerned with the executive than the worker and the major objective seems to be to create an illusion of success and therefore of happiness. The main problem which is keeping management's psychiatrists busy at the moment is that of the middle-aged executive who hasn't gotten to the top and has come to feel that he is a failure. The cult of success, of course, makes the life of such an executive unbearable. The magnitude of the problem may be suggested by *Business Week's* observation (September 16) that "the bulk of middle management men never are going to rise much above their present levels. The reason: there just isn't enough room for all of them at the top." *Fortune* (September) cites "no future" as the major cause of executive discontent. The question, as *Fortune* sees it, is whether or not executive discontent is an inevitable by-product of a competitive economy. The psychiatrists think not, but concede that it is often difficult to bring goals into focus with attainable realities. The younger executive, aware of the problem, often feels that he can "beat the rap" by retreating to the suburbs, concentrating on golf and do-it-yourself projects, but sooner or later he is drawn into the fierce currents of competition. "The rat race," *Fortune* concludes, "will continue." The fact that it will lends emphasis to Adlai Stevenson's remark, in his Columbus, Ohio, speech, that "In a healthy economic society there must be other ambitions, other goals, for young men than sometime to be officers in a vast corporate hierarchy."

CONQUEST OF CANADA

The Great \$\$ Invasion . . by MARK GAYN

Montreal
THE FIRST impression a traveller gathers driving across Canada is the nation's vastness. The second, inevitably, is that this is one of the world's last great frontiers—thinly peopled and barely explored. One drives for a thousand miles and sees little else but forests, or lakes, or muskeg. Or, as I did a few weeks ago, one can journey for days and see only small, dusty, ramshackle towns, where the water sometimes is unpotable, the stores sell guns and tents and Geiger counters, and the taverns are filled with rough-hewn men speaking with the accents of French Quebec, or Finland, or the Ukraine. One gets to a town like Hearst or Cochrane and discovers that to the north, for hundreds of miles, there spreads a no-man's land, with no highways, few hamlets and only a handful of men building radar-warning lines, or hunting, or prospecting for the immense riches thought hidden in the soil.

There is one more impression. As one drives across the land and watches the occasional huge mines or mills or oil fields, one comes to realize that they usually belong to great American concerns, from Standard of New Jersey to the sharp-trading lone-wolf entrepreneurs of Texas. The continent's last frontier is barely scratched, but of what scratching there is, a very great deal is being done by the Americans.

The impressions of a cross-country trip help one to understand the nature of the Great Debate now coming to dominate Canadian domestic politics. "Who Really Owns Canada?" asks a national magazine, and proceeds to show that in their eagerness to push back their frontier the

Canadians had surrendered control of much of their economy to American Big Business. The Canadian man-in-the-street does not yet worry. A Gallup Poll (itself conducted by a Canadian subsidiary of the American organization) showed a few weeks ago that two out of three Canadians think the United States' investments in this country have been a good thing for Canada, and only one in six thinks they are not. But the reaction is far less favorable, and certainly more violent, when one meets intellectuals, politicians or even business men. Here one finds a more even division of opinion, with some insisting that American investments had advanced Canada's economic development by a decade; and others insisting fiercely that this development has been lopsided, and that what one is witnessing today is Canada's conquest by the American investor. Among those who make policy and mold opinion the debate is sharp, and there is no doubt that it will dominate the next federal election.

THE OFFICIAL statistics certainly provide food for argument. Since World War II, Canada's economy has been expanding at a rate as fast as that of any country, East or West. Today, with a total population just twice that of New York City, Canada is the world's sixth largest industrial and fourth largest trading nation. Yet official figures now show that the Americans control roughly half of Canada's manu-

facturing—and much more than half in key industries. They show that the control has been growing rapidly in the past six or seven years, and that it is being exercised through a relatively few huge American subsidiaries. They show finally that American money has been pouring across the border since the war at an average rate of about half a billion each year (a billion last year), and that the total U. S. investments in Canada now exceed ten billion dollars—or more than the total U. S. investment in all of Latin America.

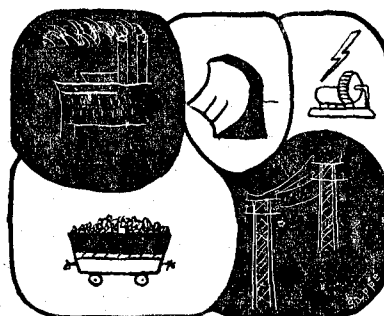
Here are the latest official figures on who controlled key Canadian industries in 1953 (in percentages):

	Canada	U.S.
petroleum	30	68
other mining	45	53
pulp and paper	45	42
chemicals	28	54
electrical apparatus	28	62
rubber	8	90
automobiles and parts	5	95

But even these figures are obsolete. Since 1953, the flood of American dollars has been coming in still greater torrents. As a result, American capital today controls close to 95 per cent of the Canadian petroleum industry, 75 per cent of mining and 57 per cent of Canada's manufacturing. This is economic domination on a scale that has led some critics this summer to liken Canada to the oil-and-banana republics to the south.

THE FIRST rumbling of Canadian concern could be heard in 1954-55. This country was going through a minor depression (some half a million people were out of jobs) and many here blamed it on the effects of the much sharper decline across the border. At the same time, Ottawa was beginning to worry about the scale and nature of American investments. One product of this uneasiness was the setting up of the Royal Commission on Canada's Economic Prospects, headed by

MARK GAYN, American author and journalist now resident in Canada, has just completed a 6,000-mile journey from Quebec to British Columbia.



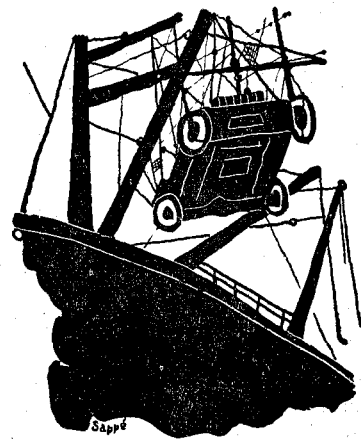
Walter Gordon, a Toronto management consultant.

When Parliament reconvened last January, the Opposition parties began to attack the Liberal government for "selling Canada down the river." Arguments up to then buried in briefs presented to the Gordon Commission suddenly became the subject of public debate. In late March, when Prime Minister Louis St. Laurent journeyed to White Sulphur Springs for a chat with President Eisenhower, he is known to have brought up the problem. It was not, however, until early April that the storm really broke out, and its cause curiously was a ninety-three-page booklet issued by the Dominion Department of Statistics under the forbidding title of *Canada's International Investment Position: 1926-54*. Few laymen are likely to have read it, but—digested and interpreted—it made front-page headlines from coast to coast. Its deductions were plain enough: the Canadians had lost control of key sectors of their economy to the Americans; if anything, the process was accelerating; and Canada's chances of ransoming its fortune were becoming slim indeed.

The public reaction was prompt and sharp. In and out of Parliament, Opposition speakers began to talk of "the economic invasion from the South" and of Canada becoming "the forty-ninth economic state." "Is Canada a U. S. Satellite?" asked a leading newspaper in the prairies. "Are Canadians Just Squatters in Canada?" demanded a subhead in a leading magazine. No one really advocated a halt to American investments, but a thousand voices

demanded that Ottawa force these investments into more useful channels.

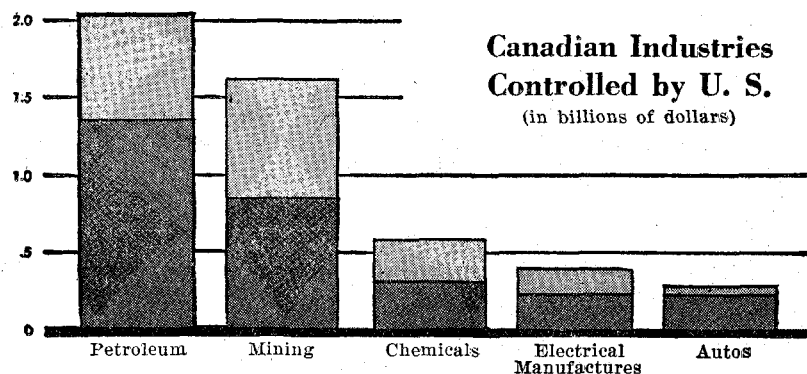
The controversy became crystalized in the so-called "pipeline debate" which kept Parliament in an uproar through much of the summer. In its later stages, the debate became envenomed by intra-party charges. But at its heart lay the question of American investments and the government's policy towards them. The project—construction of the world's longest pipeline (2,240 miles) to carry Alberta's natural gas to the industrial users as far East as Montreal—has been in the works since 1953 and possibly earlier. The Trans-Canada Pipelines, Ltd., was controlled by the Tennessee Gas Transmission Company, Gulf Oil and Continental Oil, with the Texas promoter, Clint W. Murchison, as the leading figure. The pipeline was to cost \$350,000,000, but the sponsors apparently felt the investment would be amply repaid if the company could sell Canadian gas in the American Midwest. The Federal Power Commission in Washington, however, denied permission to bring the pipeline in. Then the company proposed to lay the line entirely in Canada, provided someone financed the unprofitable and costly (\$175,000,000) section north of Lake Superior, where no markets for gas exist. When no private financing could be found, the Canadian government and the highly-industrialized Province of Ontario agreed to build this section, and then resell it to Murchison's company for cost plus 3½ per cent interest whenever the company could afford to buy it. It was at this



point that the sparks began to fly. The government thought the project highly beneficial to Canada and wanted the work started on it as soon as possible. The Opposition, on the other hand, with strong doubts about Murchison and the company, wanted to make the pipeline the pivot of a major debate on American investments. In the end, the Conservatives joined the Socialists in demanding State ownership of the pipeline. They were defeated by the huge Liberal majority—but not until some cruel hurts had been inflicted all around.

There is no doubt that the pipeline—like the joint U. S.-Canadian St. Lawrence Seaway—will prove to be a milestone in the nation's economic growth. But the debate has not resolved the underlying issues. Should the government itself have laid the pipeline? And did the government, in granting the lucrative contract to Trans-Canada, consider all the implications of American economic influence in Canada?

Are there grounds for alarm? Unhappily, the answers are not simple, for quite apart from any economic considerations, the issue has become coated with emotion. Ask a Canadian intellectual if he thinks the American investments are good for this country, and, as likely as not, he will tell you with passionate conviction that they have become a threat to national independence—as much as American TV, radio, books, the movies and Rock'n Roll. A few years back, a committee headed by the present Governor-General Vincent Massey, after a look at the state of Canadian culture, concluded that "we must not be blind to . . .



The dark shading represents U. S. ownership; lighter shading, Canadian. (Data from Business Week.)

October 6, 1956

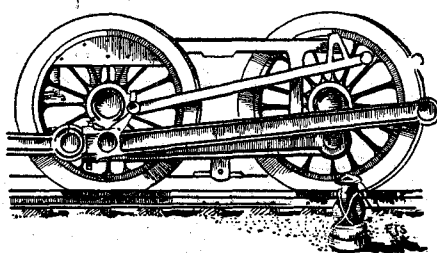
281

the very present danger of permanent dependence (on the United States).” How much more grave, the intellectual now argues, is the threat offered by the American domination of Canada’s economic life!

BUT EVEN ON its non-emotional levels, the debate is heated. The vocal and articulate “pros” argue that without the American investments, Canada would not be where it is today for another decade; that American enterprise has extracted riches from the Canadian soil that might never have been found otherwise; that American companies here employ every fifth Canadian industrial worker. The Canadian, the “pros” say, saves a billion a year, but he would rather invest it in domestic bonds or in ventures abroad than risk it prospecting for oil or iron in the north. Canadian investments abroad today exceed seven billion dollars—in American breweries and Brazilian streetcars, in Mexican telephones, Italian smelters and old Jean Harlow movies. But when the promoters of the huge Iron Ore Company, a syndicate of six American steel companies formed with the help of George Humphrey before he became Secretary of the Treasury, tried to borrow money to develop the fabulous iron ore deposits found in Labrador, all they could get on this side of the border was \$2,000,000. The firm then went ahead to borrow seventy times that much from American insurance companies and to pour a total of a quarter-billion dollars into the preliminary work. The first shipload of 13,000 tons of ore travelled down the new 360-mile company railway to the St. Lawrence en route to Philadelphia only a little more than two years ago. When the company concluded its 1955 business year, its working profit was already estimated at some \$20,000,000. The new “Canadian Mesabi,” the “pros” say, has pushed the northern frontier hundreds of miles away, opened vast new country to exploration, brought into being brand-new towns, has given jobs to thousands and met most of Canada’s demand for iron ore which up to now it has been buying from the United States.

The “antis” also have some strong arguments. The most telling of them is expressed in the cry of the then leader of the Opposition, George Drew: “Canadians should declare their economic independence of the United States . . . We are not going to be hewers of wood, drawers of water, and diggers of holes for any other country, no matter how friendly.” The “antis” say that American capital is rapidly seizing control of Canada’s raw materials and converting this nation into a vast adjunct to American industry. *MacLean’s Magazine* argues that “more than eighty per cent of our exports leave the country in raw (pulpwood, iron ore) or semi-processed (flour, aluminum ingots) form. Nearly the same proportion of our imports are semi-manufactured or finished goods.” A single Sunday issue of *The New York Times* uses up some 24,000 Canadian trees. And when Canada exports raw materials, *MacLean’s* estimates, it also exports two million industrial jobs. The “antis” insist that Canada should control foreign ownership of basic resources and that, as far as possible, the raw materials should be processed at home. If not, Canadian raw-materials economy would become inextricably tied to American heavy industry, and the slightest depression south of the border would play havoc north of it.

What incenses the Canadians, too, is the American insistence on the outright control of their subsidiaries here. Though American investors last year collected nearly \$300,000,000 in dividends from Canada, most American subsidiaries in this country would not sell stock to Canadians, would not employ Canadian directors, and often would not even hire Canadian managers. The story of the American Locomotive Company has by now become an almost classic illustration of how American man-



agement can ruffle Canadian feelings. American Locomotive controls the Montreal Locomotive Works, whose Board of Directors used to have two Canadians. Last year, when the American Locomotive needed extra capital, it declared a whopping \$9 dividend on the shares of its Canadian subsidiary, then valued at only \$14. To pay the dividend, the directors took some \$6,300,000 out of the company’s working capital. The two Canadians resigned in protest, but it did no good—except to supply the “antis” with a telling argument they still employ.

Some effort to soothe Canadian feelings is now being made. The U. S.-Canadian tax treaty has just been revised to enable American concerns to sell more stock in this country. Also, many of the leading American concerns—Standard of New Jersey, Ford, DuPont, Goodyear—now seek minority Canadian investments. Yet even at this point only one in ten American firms in this country has sold more than a quarter of its stock to Canadians. And here in Quebec, barely a month passes without a heavily publicized ceremony advertising the benefits of U. S. investments to Canadians.

THE BASIC problems, however, remain. Is it to Canada’s benefit to become a green pasture for outside capital seeking raw materials, profits or simply refuge? (An Argentine politico has quietly acquired a huge cattle ranch in the West. The Suez Canal Company dabbles in Alberta oil. The French Bank of Indo-China takes a nibble at Winnipeg real estate and New Brunswick potato chips. The Singer Sewing Machines builds a huge pulp-and-paper plant in Quebec. And a Swiss firm which early this year opened its Montreal operations by buying the apartment house where I live now owns entire blocks of choice housing.) Is it to Canada’s advantage to allow such an overwhelming foreign control of its basic resources? Should Canada allow the foreign investor to shape the nature of its economy? And would it not be better for Canada to finance its own development, even if at a slower pace?

As yet, Canada has no unified

The NATION

policy on this vital problem. It is likely that the Gordon Commission report, to be published a few months hence, will lay the basis of a nationwide discussion and a new policy. There are, however, already signs of a rebellion against the American "encroachment." The most important of these involve the use of the Columbia and Yukon Rivers. Alcoa, the Aluminum Company of America, ran into a stone wall when it sought Canada's assent to the diversion of the Yukon headwaters through the Alaska Panhandle to power what was intended to be the world's largest aluminum plant. Canada has also taken a very strong stand on the damming of its section of the Columbia River. Since this would affect the great federal power plants on the American side of the frontier, the quarrel has produced some bitter arguments and will have to be settled in inter-government discussions. Canada's position, however, is that water and hydro-electric power are its great natural resources, and it

will not allow their sale for dollars.

The issue, thus, is bound to cloud the relations between the two nations for many years to come. Its dangers are now political as well as economic, and its solutions, too, must be political. J. Douglas Gibson, a Toronto banker and president of the Canadian Political Science Association, puts it this way: "The Canadian economy should be an economic reality and not merely a series of tributary areas whose orientation is largely toward adjoining parts of the United States. . . . [Political independence in any real sense needs] a material basis and would scarcely be practicable in a divided and dependent economy." On my cross-country journey, I discussed this issue with many leading political figures. Even the Socialists among them do not believe that the federal government has sold a particle of its independence to the American investor. What charges of corruption and undue political influence there are usually involve the National

Union government in Quebec (where the Iron Ore Company pays the province but \$100,000 a year in royalties on the vast Ungava iron ore mines) and the Social Credit governments of Alberta and British Columbia, whose enormous political slush funds are fed, according to their worried foes, by the American oil companies. The opponents of these three provincial governments, however, have been unable either to prove their charges, or to persuade the electorate to "turn the rascals out."

The flood of American capital has crossed the border so suddenly, and has enveloped the nation's key resources so quickly, that the Canadians are still too stunned to react. The reaction, however, is bound to come—and soon. For the American control of Canadian industry and vital resources must, sooner or later, affect the nation's life and destiny. However Canada reacts, the course of its history will bear the imprint of the decision.

AFRICA'S MARGINAL MAN

Pressure on the "Colored" . . by JULIUS LEWIN

Johannesburg

IN A secluded room in the center of this city three hard-faced Afrikaners stared at a Colored man. Two lawyers who were also present looked embarrassed when one of the Afrikaners asked the man to turn his profile the other way and then another asked him to put a comb through his hair.

The Race Appeal Board was applying its own tests, during the hearing of legal argument, to decide what race the Colored man belonged to. The board, consisting of three civil servants, was uncertain whether a fourth official had erred when he classified the man as "a Native," i.e. an African. The man claimed to

be Colored, i.e. of mixed white and black descent. His lawyer had called five witnesses to swear under oath that the man (whom we shall call Pietersen) lived among Colored people and was not generally regarded as an African.

An anthropologist from the university also gave evidence. "Looking at his profile," he said of the unhappy man, "his nose is not Negro; nor is the general shape of his skull that of an African Negro. He shows signs of eyebrow ridge, which is a European feature. His chin could be that of a European or Bantu. His lips are Bantu and so are his shell ears, his hair and his pigmentation. In physical make-up this man is a cross."

The man then admitted that he could speak Zulu, although at home he spoke only Afrikaans, the language of the ruling white race. After further questions, the board asked

the government's attorney whether he had any witnesses to call and the reply was no. The board thereupon announced its decision—that Pietersen had rightly been classified as an African.

There were good reasons for the tragic look on the man's face as he walked slowly away from the board room. As an African, he could no longer occupy a house in the Colored quarter. He could not continue as a member of any recognized labor union and his wage-rate would drop. He would always have to carry a pass to show any policeman who demanded to see it. He could no longer ride in a white bus. His children would have to move to an inferior school.

Pietersen's case is typical of many. The current campaign to classify the population according to race has already brought scores of marginal men before the tribunal. Few

JULIUS LEWIN, a lawyer and a member of the faculty of the University of the Witwatersrand, is the author of Studies in African Native Law.

October 6, 1956

of them can produce birth certificates or other legal documents to prove that they had at least one white ancestor. Moreover, social or cultural tests are apt to be as inconclusive as the physical tests. The marginal men and women are trilingual and the color of their skin varies from deep black to clear white. The latest law has now tried to simplify the legal problem by compelling in future the application of only one test, namely the *appearance* of the person objecting to his official classification. The tedious procedure of listening to evidence about a "branded" man's life and personal associations is coming to an end. (The word "branded" was used by a magistrate.) The board can take just one good look at the marginal man and then decide on which side of the color line his life must fall.

DOWN IN Capetown an unknown number of Colored people have in the past managed to pass as white. In the Transvaal, however, this process is more difficult because, for one thing, the Colored community is small — scarcely 80,000 — compared with 1,300,000 in the Cape province. Here in the North the Colored man fights not for a higher white status but against a lower black one.

The Colored in both North and South have been the main target of the legislation introduced by the Nationalist Government. Their very existence is an awkward reminder that the white colonists of the seventeenth and eighteenth centuries had no idea of the sacred importance of racial purity. Until the Afrikaner Nationalists came to power, public policy had, indeed, given God's step-children (as a novelist once called them) "the benefit of their white blood." (Incidentally, it is still widely held that the blood of white and non-white people literally must never be mixed. Official regulations governing the medical blood-transfusion service guard against this terrible danger.) Although Mr. Strauss, the leader of the parliamentary Opposition, has spoken of the Colored as "an appendix" (*sic*) of the Europeans, the government detests any-

thing that blurs the divine distinction between white and black. So a variety of laws have been passed designed to keep white apart from Colored and Colored apart from African.

A non-white person may not marry a European, or have sex relations with one outside marriage, on pain of imprisonment for at least four months and possibly two years. Yet enforcement of this so-called "Immorality Act" has shown that inter-racial sex relations are not as uncommon or as abhorrent as the purists would make believe. When the prize was ready for presentation to the attractive African winner of a recent beauty contest, she was located in prison serving her sentence for immoral relations with a European. Not long ago the magistrate at Stellenbosch, a cultural center occupied by the oldest Afrikaner university, said that for a town of its small size the number of cases under the "Immorality Act" was alarmingly high. Sixty of these cases tried throughout the country in the last year or two produced a strange result: the black woman was sent to prison but the white man involved was found not guilty of the crime that it undoubtedly takes two to commit. Public protest has failed to move the government to amend the law that allows this form of justice.

A new reason why people must be classified by their race is the Group Areas Act. Passed six years ago, this law is soon to be enforced in face of the tremendous practical difficulties it has already encountered. The law is designed to create and maintain a system of racial zoning in every city. Under its terms people of the four major groups — white, African, Colored and Indian — are allowed to live and trade only in the areas demarcated for them by boards consisting of men in sympathy with the government's policy. All the hearings of these boards have proved to be a grim farce. Brushing aside the eloquence of patient lawyers and the evidence of physical fact, the boards in the Transvaal, with the blessing of the government, have now ordered the Colored and the Indian communities to uproot

themselves in a dozen different towns and from old-established suburbs and commercial streets in cities and move to the bare veld twenty miles distant from the city. Houses built in some instances at a cost of \$20,000 and shops worth five times that amount must be evacuated within the coming year. In Johannesburg alone, Indian property valued at \$30,000,000 is affected by the plans. The conservative *Star* commented: "The government's decree will touch off a vast migration of people and an incalculable train of disrupted lives and human suffering. . . . Even in the name of white civilization we can see nothing to extenuate this act of mass callousness." When the Indian traders in one town protested, the board told them that they had no natural right to regard themselves as traders (which they have been for eighty years); they must accept their new status as unskilled manual laborers.

The white people will move into the areas from which the non-whites are driven. All except the Nationalists are agreed that the group areas indicated for the non-whites are, by any standard, grossly inadequate and wholly unsuitable for trade. To these areas a proper description was applied by an Anglican missionary: he called them ghettos.

IN CAPETOWN another board is busy with the task of zoning the whole Cape Peninsula. Its chairman is the notorious Dr. J. F. van Rensburg, former leader of a now defunct political body that rivalled the Nationalist Party at a time when both organizations thought highly of Hitler. (In an editorial review of a booklet written by Dr. van Rensburg in 1944, the *Cape Times* said: "It is a hodge-podge of malicious provocation on the well-tried Nazi model, adding to the capitalists, Communists and Jews [as enemies of the Afrikaner people] the South African ingredients of Natives, Cape Coloreds, and Asiatics. . . . The author is a Nazi.")

As the new ghettos are taking shape, the Colored and the Indian people are degraded to the status long held by Africans. For the Colored people especially the ex-

perience is something new. They have hitherto shared most of the white man's civil rights. During the last session of parliament they were deprived of the franchise that they had exercised since 1854; and they were also prohibited from remaining in labor unions with white workmen.

The Indians are preparing to resist the Group Areas Act with the

only means at their disposal — non-violent non-co-operation as first practiced by Mahatma Gandhi here in the old Transvaal forty-five years ago. Hitherto the respectable Colored people have kept aloof from radical political movements organized by Indians and Africans. In the second historic campaign of passive resistance four years ago, virtually no Colored men or women joined

the 8,000 who went joyfully to jail. Since then a new law has made passive resistance itself a serious crime punishable, if repeated after the first offense, by flogging as well as imprisonment. Whether a new campaign will be started, no one can tell. But if it is, one thing can safely be predicted: many Colored people will be ready to join the ranks of the resisters.

Swindle Sheet . . a highly social study by WALTER GOODMAN

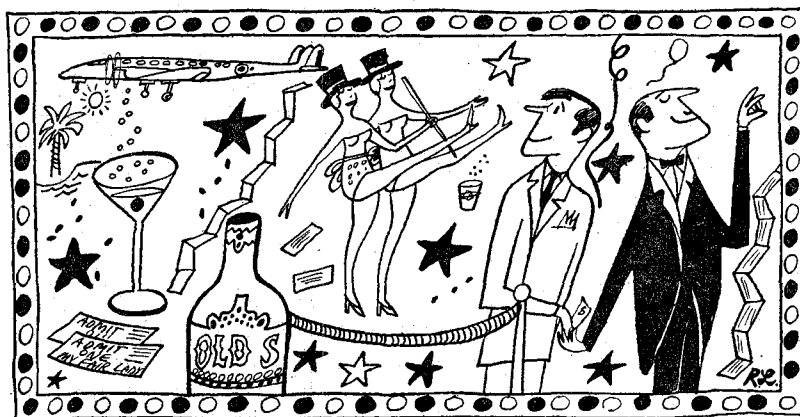
THE NEXT time you drop in for lunch at the Cub Room of the Stork Club, Louis and Armand's or Twenty-One, tear your eyes away from that six-dollar slab of imported smoked sturgeon and have a look at your fellow-diners. The chances are that half of them are not paying for their expensive meals. Their benefactor is neither Sherman Billingsley, Louis nor Armand. Forty-eight per cent of their check is being picked up by the firm which employs them or wants some business from them; the U. S. Treasury contributes the remainder in the form of uncollected corporate taxes.

The biggest spenders these days —according to a survey made last June by the Diners' Club, a six-year-old credit organization which enables corporation accountants to keep a penny-by-penny check on entertainments endured in the line of duty—are, in this order: TV professionals, public-relations practitioners, manufacturers' representatives, movie men, wholesalers' representatives, advertising executives, theatrical booking agents, brokers and literary agents.

Comments the Diners' Club: "The (television) industry is apparently learning in a hurry that much can be accomplished over a sirloin or a martini that cannot be accomplished in the client's booth of a television studio." That enlightenment should have come only recently to so pro-

WALTER GOODMAN, an occasional contributor to The Nation, specializes in the satiric footnote to the contemporary American scene.

October 6, 1956



Robert Leydenfrost

gressive an industry may be explained by the fact that TV did not really hit its stride until the 30 per cent excess-profits tax was taken off the nation's books in December, 1953. While the tax was operative, the Expense Account established itself as an institution whose worth to the business community was barely surpassed by that of a sharp-witted accountant. In those good days a relatively modest \$20 luncheon party, digested in the line of business, would cost the host's firm \$3.60.

The abundance of post-war 18-cent dollars in corporation tills opened bright paths to the alert purveyor of luxury commodities like Peter Canlis, proprietor of a high-priced eating establishment in Seattle. The secret of his success: "I came to Seattle, saw that a lot of good expense money wasn't being spent because there was no place fancy enough to gobble it up—and I was happy to fill the gap."

In addition to expense accounts proper, salesmen and executives all

over the country found themselves deluged with the good things of life (in lieu of taxable wage rises): apartments and hotel rooms in various cities, membership in two or three country clubs, the use of private hunting cabins in the Sierras and beach cottages in Miami and airplanes to get them from one free accommodation to another. (Business men currently chalk up almost four million air hours each year in private planes—more than all America's scheduled airlines put together. They also use cars a lot: more than one-third of all the Cadillacs extant in Manhattan last year were registered in company names.) An entire town is presently being created in Florida which will be rented out to executives and their guests on a year-round basis for entertaining, convening and conferring. Duck-hunting clubs seem to be tops in fashion at this writing.

True, the excess-profits tax is gone now, and with it the 18-cent expense dollar. But the expense account remains a good thing even

with a 48-cent dollar. Economist Richard A. Girard reports the case of one vice president who has been granted \$20,000 to cover his entertainment requirements! "His contract specifies that he does not have to account for the money." With this system, even a pair of orchestra seats to *My Fair Lady* comes within the realm of the foreseeable. Indeed, a large part of the Broadway theatre is probably kept alive by people who do not have to pay for their pleasures out of their own pockets.

Despite annual admonitions by the Director of Internal Revenue that personal expense accounts (for which one need not account) must fall into the category of "ordinary and necessary costs" with a "reasonable expectation of return," revenue agents are hard put to figure out exactly how many martinis are necessary to clinch a given deal. A possibly apocryphal story has it that one firm wined a purchasing agent into chronic alcoholism and then applied for a \$500 deduction from taxes for his medical care. The effort failed, according to the story, but there is no penalty to speak of for a fair try at this sort of thing.

Fortune magazine has put the revenue agent's problem very simply:

...An executive's expense-account performance cannot be judged fairly on an arithmetical, per diem basis; what matters is results. A poor business-getter may be abusing his account when he spends a few hundred dollars a month, while a superlative business-getter may be a model of restraint in spending several thousand.

Occasionally, of course, even a good business-getter like Lucian W. Sprague, former chairman of the Minneapolis and St. Louis Railway, is pulled up by stockholders left breathless in the wake of an ever-ascending expense account. Before ousting Sprague in 1954, insurgents charged that their company had bought its chairman "Sprague Island," a \$124,000 North-woods retreat, boxes at racetracks, a luxury trip to Europe for himself and his wife, \$12,358 worth of Cadillacs and occasional batches of flowers and meat. But these acquisitions pale next to the five custom-built Daimlers that England's Sir Bernard

Docker, until last summer managing director of the Birmingham Small Arms Company, presented to his wife, or the couturier's bill for \$22,400 that he presented to his company's accountant. On ceasing to be chairman of B.S.A., Sir Bernard lamented that he would now have to modify his way of life.

Not many corporation employees are in the happy position formerly enjoyed by Sir Bernard or Mr. Sprague, but they do extraordinarily well considering that they are not able to sign their own checks. As one executive has put it: "Our men give their talent to the company and their genius to their expense accounts."

The unwholesome spirit conveyed in the appellation "swindle sheet" explains the uneasiness among the nation's more conservative corporation heads about how their forty-eight cents is being spent. In a survey of 183 companies made by the National Industrial Conference Board in 1954, 80 per cent of those approached agreed with this frowning opinion of a steel-products company president: "Executive expense accounts are difficult to control. We believe it is important to hold top officials in line . . . to set the pattern for the rest of the company." Most of the respondents were particularly dubious about those restaurants and hit musicals. "While we recognize that entertainment expenses are necessary these days, we do not approve of them. We merely condone . . . and do not encourage it."

THE Internal Revenue Service takes a similar view of expense accounts—a kind of suspicious resignation. Former Commissioner of Internal Revenue T. Coleman Andrews said in 1954:

Disallowing amounts claimed for such items (taxi fares, tips and the like) merely because there is no documentary evidence which will establish the precise amount beyond any reasonable doubt ignores commonly recognized business practice. . . . On the other hand, it is not Service policy to allow a percentage or other arbitrarily computed portion of deductions of this character merely for the purpose of settlement.

Firms which cannot afford even a bargain at Twenty-One's prices are

down on expense accounts for straightforward competitive reasons. An executive of an advertising agency that lost a profitable client to Batten, Barton, Durstine and Osborn recently has been quoted as saying: "All of a sudden they decided they were ashamed of us socially. They think they're big shots now—they want to be invited to Ben Duffy's place in Rye and they want to get a table up front at the Pavillion when they eat with an account supervisor, and all that stuff."

This rather unsportsmanlike reaction is a footnote to the reluctant corporation sigh, ". . . we recognize that entertainment expenses are necessary these days . . .," and explains why Mr. Andrews found the giving of large tips to be a "commonly recognized business practice." When the buyer of an article can discern little or no difference between one company's product and another's, his attention glides over to the fellow who is doing the selling. Where tensile strength is identical, the width of a smile attains enormous importance.

THE WIDTH of a smile, the dryness of a martini, the view from Row E—these are the weapons of the contemporary salesman. One account executive (account executives invariably pay for lunch; time- and space-buyers in the same agency invariably get theirs free) told a trade magazine: "When we go out by ourselves we pick the place that's got the food we like. But when it's with a client, let's face it, most of us go where they call us by name."

In such a world, with its facade of leisurely transactions, even the payment of a dinner check assumes ritualistic significance. "An important tip-off to the adman's status," explains one student of Madison Avenue folkways, "is, of course, his manner of paying the check. Only the peasant (or anti-snob snob) pays cash. The most frequent form of payment is via the Diners' Club. However, the chic approach is maintaining a charge account in various midtown spots, and if the adman's really in, he may not even be presented with a check."

In his book, *The Power Elite*, C.

The NATION

Wright Mills observes that the fringe benefits of the "riskless entrepreneurs" of our corporations constitute the initiation dues for membership in "a directly privileged class." Mills goes on:

The corporations from which their property and income derive are also the seats of the privileges and prerogatives. The great variety of these privileges substantially increases their standard of consumption, buttresses their financial position against the ups and downs of the economic system, lends shape to their whole style of living and lifts them into a security as great as that of the corporate economy itself.

Dollar-and-cents security, perhaps—though the descent from grandeur involved in losing an expense-account job might nourish a special kind of insecurity. But how is one to measure the psychic costs to the account executive or the manufacturer's representative of having to live his life by social standards which demand that he teeter constantly on the verge of an effusive and toothsome, "Hi there! Grand to see you!"?

Our expense-account operator's obligation to smile and be smiled at does not end at 5:30 p.m. The wattage of his smile must not decrease perceptibly so long as the

cocktail party, the dinner party, the floor show continues. He must remain radiant not just during the week, but at the country club Saturday nights, at the beach cottage on long weekends, up at the hunting lodge on vacations.

What does being a constant host or, for that matter, a constant guest, do for an individual? With what values does the softly-lit, carpeted world of over-priced food and drink and impeccable service equip him that he may relay to his son or contribute to his country? Can a man simulate joy for most of his waking life and then shed simulation in his moments alone? After devoting a long evening's energies to keeping a not improbably obnoxious out-of-town buyer in high spirits, will he have very much left for himself? Can the universally, unvaryingly agreeable attitudes and opinions which clothe him night and day, the techniques of affability which he cultivates so assiduously around a jolly dinner table, be set down like wooden shoes outside the door of his subsidized East Side apartment? The corporation controller is not equipped to measure such costs—and neither is anyone else.

An Australian economist, arguing

for a Royal Commission to investigate the phenomenon as it exists in his country, wrote a few weeks ago: "Drastic inroads on the expense account would be tantamount to a social revolution. No other measure . . . would do so much to level standards of living."

Economically, this is an exaggeration so far as the United States is concerned, but who can foresee the social and psychological disturbances which an assault on the Expense Account might wreak here at home? The economic frontiers that inspired our Vanderbilts and Carnegies and Fords have been civilized. The industrialists have bulldozed their way and established their empires and our generation must acknowledge a new aristocracy composed of the technician who oils the machines and the technician who oils the consumer. And in return for the luxuries of corporate paternalism, the salesman must smile more broadly and more frequently than ever; his collar must be cleaner, his breath fresher; he must more conscientiously shun the ambiguous or jarring thought.

It is rather refreshing in these times to open up the morning newspaper now and again and find that good old "Engine Charley" Wilson has uttered another public statement.

Trading-Stamp Stampede . . by H. L. VREDENBURG

IN 1951 a supermarket successfully used trading stamps for promoting sales. Since then, there has been a veritable stampede to stamps in the retail business across the country. Current surveys indicate:

1. More than forty million American consumers, whose interest in philately can be described as remote, are saving stamps. They represent twenty-nine million families—52 per cent of all families throughout the country.

HARVEY L. VREDENBURG is assistant professor in the department of marketing at the State University of Iowa, and has done extensive research in the general subject of merchandising.

2. Ten per cent of the nation's retailers are spending \$75,000,000 on stamp plans to obtain about thirty-seven billion dollars in annual sales volume—*roughly one-fifth of all retail sales*. The retailers include 90,000 food shops, 7,000 druggists, 35,000 service stations and 38,000 assorted hardware and feed stores, dry cleaners, garages, etc.

The savings-stamp plan is a simple enough gimmick. Usually the customer is given a stamp for every ten cents she spends in purchases. Twelve-hundred stamps make a book, and the book (or books) of stamps, in turn, are redeemable for premiums of varying value. Thus, in purchasing a pound of steak, the housewife may be getting free

1/1,200th of a wallet for her husband or 1/2,400th of a movie projector for the family. Obviously, the lower the prices charged by the retailer, the fewer the stamps received by the customer. To some customers this poses an odd dilemma. [See cartoon on next page.]

Two questions arise as to this stupendous giveaway industry: First, why should it have gained such headway in a time of prosperity, when people seem to be buying anyway? Second, and even more important, who in the end really pays for the stamps—the retailer or the consumer?

Many business men think that giveaway schemes make sense for the retailer only in times of depres-

sion, but are irrational in times of high turnover and high prices. This theory ignores many factors. For one thing, the very fact that business activity is at a high level leads to higher costs of doing business and greater investment in inventory and facilities. There is also a corollary effect. In a time of prosperity, the combination of an expanding market, high profits, availability of capital for expansion and a high degree of confidence on the part of the business man leads to the establishment of so many new retail outlets that in several lines there are "too many" stores and therefore a higher degree of competition.

Such factors, of course, hit hardest at the "marginal" retailers who must increase sales or perish. But they also affect all retailers in varying degree. And since the "fixed" costs of most retail operations—rent, labor, public utilities etc.—are rising rapidly, the only way to maintain profits is by increasing sales.

Another element contributing to the growth of giveaway plans is the fact that most retailers—especially food stores and gasoline stations—have become more or less standardized in what they can offer their customers in goods and services. Prices tend to uniformity; national brands make up a large portion of every retail inventory; parking space (or windshield-wiping service, or delivery service) is available to the customer in most places. Under such circumstances, the extra service represented by a stamp plan can influence the patronage of a large number of shoppers.

ONCE A stamp plan has been introduced into a community, it tends to be self-generating. Competitors grab hold of the idea. The consumer, turned collector, becomes ever more avid for the bits of paper. This in turn puts more pressure on the retailer to make them available. So the cycle goes as more and more customers and retailers are drawn into the plan.

Sales gains realized by many stores through trading-stamp plans (and in some cases the gains have been phenomenal) tend to prove that consumers like it. Indeed, many



Courtesy Business Week

"What's the man trying to do, cheat us out of our stamps?"

merchants contend that their customers respond to giveaways better than they do to price-cutting.

Even while customers throng counters which give away trading stamps, the more thoughtful among them have an uneasy feeling that they are being taken for a ride. Isn't some subtle subterfuge being used by the retailer to conceal the cost of the stamps in his retail prices? In other words, isn't the consumer himself paying for the stamps? The retailers, of course, deny this emphatically; they say the customers pay absolutely nothing.

In any specific retail situation, empirical evidence may be found to support either position. The trading stamp is a device which retailers are using today primarily to promote sales. Their ability to break-even on the cost of the stamps is so completely dependent upon local conditions—the store location, the competitive picture, the store-merchandising program—that no generalizations are possible.

Most retailers rely on increased volume of business to defray their stamp cost. To do this, the retailer must regard this cost as "fixed" in relation to his sales volume before he starts operating the plan. If the profit from the increased sales volume which results from the plan can absorb the "fixed" cost, the retailer can break even without changing

his prices. Any increase in sales beyond the break-even point means increased profits (in itself an incentive for the retailer to try the plan). In supermarkets and service stations, a sales increase of from 15 to 25 per cent (depending on the level of fixed costs, the realized gross margin, stamp costs, the ability to reduce the ratio of expense to the increased volume, etc.) is usually required to reach the break-even point. Drug, hardware, furniture, appliance and department stores usually require smaller increases. A study I have made (*Trading Stamps: Bureau of Business Research, Indiana University*), indicates that many stores have realized sufficient increase in sales to cover their stamp costs.

Stores which do not realize a sufficient increase in volume must resort to other methods. Perhaps the most common is to discourage customer use of such costly services as credit, deliveries and 'phone orders by withholding stamps on sales made through these means. The savings resultant from cutting down credit is, of course, the most important; some retailers have found their savings in this area sufficient in themselves to offset stamp costs. Some observers argue that this method is a backhanded way of increasing prices by reducing services. Others, however, argue that the consumer

is merely being given a reward (through the trading stamp) for not using all of the services which have been included in the price of the merchandise. They insist that it is a fair method, since it leaves the consumer free to decide if he wants to purchase these services.

A second way of covering stamp costs through reducing expenses is to use the stamps to "stabilize" volume. The dealer may, for instance, offer special stamp deals during the hours or days when volume tends to diminish. This kind of stabilization makes possible a more efficient use of labor, equipment and inventory.

Retailers operating with low mark-ups, such as food and service stations, are frequently able to cover stamp costs from their increased sales on items carrying higher-than-average margins (examples: non-food items in supermarkets, accessories in service stations). The consumer does not pay a higher price for either these items or for the regular merchandise; the savings have resulted because the item has been sold through a store which can operate at a lower gross margin.

Some merchants regard stamp costs as part of their advertising or promotion budget; in such instances, expenditures on more traditional types of advertising (local newspaper space, throwaway leaflets, etc.) may be deliberately cut down to provide the savings needed. Or the retailer may find, after he has inaugurated the stamp plan, that he doesn't need as much traditional advertising as he had previously used.

"Specials," "leaders" and discount sales are also part of the merchandiser's usual promotion "package." Most dealers who have adopted the trading-stamp plan report decreased use of this kind of promotion. Only individual analyses of individual situations can uncover whether, in such instances, the consumer is paying a higher price. Does the value of the premiums equal or exceed the increased expenditures created by the abandonment of this special "price-cutting"? If it does, obviously the consumer has not lost anything. But when the value of premiums is less than the normal savings on promotional price-cutting, the consumer,

equally obviously, is paying higher prices for the privilege of getting stamps.

Some dealers meet stamp costs directly by upping prices. Once the stamp plan has created a "favorable climate" among his customers, he may inch his prices upward on a few or many of his items. The usual adjustment is to make a small increase on nearly all merchandise (stamp costs to the retailer average from 1.5 to 3 per cent of sales). When this plan is followed, the consumer is obviously paying for the stamps.

Some merchants solve the stamp-cost problem by operating their own plans. An examination of the profit potential of the large stamp houses shows what great savings can be made by a merchant who has the capital to go into the business for

Didactic Poem

Lover of lettuce seed,
Of sunflower and ragweed,
A haloed goldfinch flew
From its nest of thistle-down
In spirals of laughing sound
To lots where burdock grew.

No skeptic of the first
Review, he essayed bursts
Or burdock bloom, misstepped.
Sharp, clinging spikes oppressed
His sky-conditioned breast.
Ah, how he bled and wept!

"Is this reality?"
He murmured bitterly.
"I'm all alone and hurt
In a cosmos quite absurd.
No goldfinch of the field
Or Goldfinch of the sky
Sends ladders as I die.
This is reality."

With bloody beak and claw
He soon arrested awe:
He struck at pressing spikes,
He fretted, swung, and poked
Till, unpredictably,
He broke his gold wings free,
A resurrected bird!

Triumphantly he whirled
Through yielding wind and space.
"Once more I fly to trace
Dream's eye and anvil heart,"
He, flaming, said with art.
"This, too, remarkably,
Is red reality."

STEPHEN STEPANCHEV

himself. In the first place, the stamp company charges a mark-up on sales (corresponding to the retailer's gross profit); it may sell a pad of stamps for \$12.50 with a redemption ratio giving the consumer a retail value of \$10. The \$2.50, of course, is gross profit. Secondly, not all stamps are redeemed, and every unredeemed stamp represents a gross profit for the stamp company. Thirdly, the company makes a profit on the premiums, which are bought at wholesale and redeemed on the basis of their retail price. Fourthly, the stamp company receives payment for stamps sold long before it must make redemption; this cash reserve can be invested to earn interest in the interim. Finally, some stamp companies receive additional revenue from the sale of advertising space in stamp-saver books.

A stamp plan is primarily a competitive promotional tool. In *non-competitive* fields, the advantages of the plan increase for each retailer using it. But the advantages decrease with the increased use of other stamp plans by *competing* retailers. When a particular market has been saturated, the advantages to the retailer have largely disappeared—along with the ability to break even on stamp costs.

The influence of trading stamps on consumer patronage may be sufficient to encourage their use beyond the point where the cost can be economically justified. When this happens, retailers are likely to adjust prices to cover the costs—and the consumer is paying for the stamps. However, competitive conditions could also solve the problem by eliminating marginal retailers and enabling those that are left to cover costs by increasing sales.

So there is no single answer to the question: who pays the piper? The stamp costs may be borne by the retailer or by the consumer, or it may be eliminated from total costs by efficiencies gained from the advantages the stamp plan offers as a promotional device. The answer varies from store to store—and only the most price-conscious housewife, with the time and energy to do comparative shopping and to keep account of results, can find it.

BOOKS and the ARTS

American Literary Warfare

THE RAVEN AND THE WHALE.

By Perry Miller, Harcourt, Brace and Company. \$6.75.

ISHMAEL. By James Baird. The Johns Hopkins Press. \$5.50.

By John Lydenberg

THESE books represent two extremes of contemporary literary studies: one of literary history, the other of literary criticism. Both are big and exhaustive, serious contributions to knowledge and understanding, and at times hard to get through. Neither is designed for the general public, and neither can be ignored by specialists.

Perry Miller's is the easier to describe. On one level it is a detailed account of the boisterous literary life of New York City in the 1830's and 1840's. As such, it immediately invites comparison with the literary histories of Van Wyck Brooks' famous series. Both authors seek to recreate the literary scene, to make the reader live with the authors and critics of the time rather than watch them from the outside or evaluate their writings. But while Mr. Brooks evokes the sense of the past with a delicate sensitivity, a grace and charm that sometimes verges on sentimentality, Mr. Miller emphasizes the turmoil created by the ambitious, arrogant, contentious writers of Gotham.

For on another level, Mr. Miller is concerned primarily with the war between different groups striving to prescribe the character of the literature of their new nation. Probably at no time in our history was the democratic ferment more strong and more pervasive than in these two decades. They were the days of the Aristabulus Braggs of Jacksonian democracy, of the rambunctious

"Young America" movement, of the democratic imperialist fervor of Manifest Destiny and the Mexican War. Twisting the lion's tail and boastfully glorifying our ring-tailed roarers were popular pastimes, to the distress of the genteel who wanted to conserve the manifest values of their English heritage. The great issues were not simply political or economic; they concerned the very nature of America's democratic culture. Writers thus felt that they had a particular responsibility: the true American literature should not only attest to the country's greatness, it should also formulate and propagate the values of this new society.

The Raven and the Whale recounts in full the long-forgotten details of these struggles. It brings back to life the spokesmen for Young America who sought a gloriously independent literature marked by a "grandeur of thought [and] wild barbaric splendor" that would make "the wilderness glow in the forge-light of high passions and thoughts." Then the world would hear "the whole wide land echo from side to side with the accents of a Majestic Literature—self-reared, self-sustained, self-vindicating." And it shows us the Whigs who rejected these barbaric yawps, by strident appeals for moderation, restraint, and respectful recognition of the "universal"—"the poetry of the heart and the affections" which has nothing to do with nationalism.

At first glance this furious debate seems touchingly innocent and dated. But for all its romantic vocabulary, it was only part of one long argument that has gone on throughout our literary history, and has most recently erupted in *Life* editorials deploring the lack of respect shown business men by our novelists. Positions have shifted as confusingly as the terms of discussion. Today the conservative is more likely to insist on a flag-waving

optimism as the mark of true "Americanism." But neither camp has been free of the impulse to seek conformity, and the attempt to apply criteria of Americanism to literature has almost always resulted in the substitution of political for esthetic standards. The chief difference between the debates of today and those one hundred years ago is that the earlier ones had a gusto and a rhetoric and invective that make our recent polemics sound effete. No one today would describe his opponents as a "brood of maggot-pies, and buzzards, and carrion vultures . . . spreading their obscene chattering wings before the eyes of the people."

All this may seem to have little to do with ravens and whales. Indeed, Poe and Melville were almost secondary characters in these struggles, pawns in the battles of that day's bishops and knights who in this day are quite unknown. But even if the title is somewhat misleading, with its symbolic overtones, it does point up one moral implicit in Mr. Miller's story. The ravens and whales were created despite, not because of, the pronouncements of the swarming litterateurs. The genius of Poe and Melville may have been twisted or even stunted by the political furor, but it wasn't thwarted. In the end, the real artists wrote what they had to write, not what critics and politicians told them to.

IN *ISHMAEL*, Mr. Baird is concerned not at all with literary history, he says, but exclusively with criticism. "The subject of this book is the nature of modern primitivism. . . . The title . . . is the name of the symbol of modern authentic primitivism: Ishmael, the aggregate of the symbols representing this system." Authentic, or existential, primitivism he distinguishes carefully, sometimes almost belligerently, from a low, academic type.

Initially . . . it may then be understood that the symbolism of nostalgic reference to the primitive, the

JOHN LYDENBERG is professor of English and of American Studies at Hobart and William Smith Colleges.

The NATION

symbolistic presentation of *instances* of the archaic, or distant, or "remotely good" is a contrived or "assembled" and hence *academic* primitivism. The symbolism of the center, the restoration of sacred time through the *life symbol* of an archetypal reality, is to be isolated from this form, and so established as the form of primitivism admissible to the method and the analyses of this book. The *symbol of primitive feeling* repeats a feeling *ab origine*, at the center. Its significance lies not in the exoticist's reveries upon distant cultures but in the deeper artistic act of the true primitivist who shapes reality from the archetypes of primitive feeling. This life symbol . . . repeats archetypal reality as it abolishes profane time and participates in mythical time. (The italics are the author's.)

Anyone who finds the author's language somewhat intimidating here may be cowed by the book as a whole. For Mr. Baird does not trifle with "chowder wars" or Berkshire rambles as does Mr. Miller. Instead, with all the earnestness of the newest critics, he loads his pages with a solemn and heavy diction transmitting an unremitted religious burden. He sternly rejects the "dogma that art exists purely for the sake of pleasure," at least "for purposes of this study." (Indeed, one almost suspects that he would not even accept a "partly" in place of "purely.") Melville, and his fellow authentics like Gauguin, Loti, Verhaeren, Rimbaud, Leconte de Lisle, were not out for fun. They were engaged in an attempt to construct "symbols to compensate for a lost sacramentalism"; art, to them, had become religion.

The dedication page offers as text a sentence by the ur-father of the book, Carl Gustav Jung. "We have let the house that our fathers built fall to pieces, and now we try to break into Oriental palaces that our fathers never knew." The house our fathers built was the Western culture born of the Protestant reformation. Existential primitivists are the artists who feel this culture and its religious underpinnings to have decayed, and who find themselves starved and empty without the lost sacraments. So they wander eastward, to the fabled origin of life and religion, in an atavistic search for

the old symbols of natural, primitive religion; and there they uncover the archetypal symbols of all men's dreams.

As Mr. Miller piles high the dried fruits of his research into the polemical journals of the 1830's and '40's, so Mr. Baird fills to the brim his analysis of Melville's primitivism with examples of similar primitive symbols culled from a host of lesser wanderers. But if at times his erudition seems incongruously unprimitive, it in no way detracts from the book's two important contributions. One of these is his analysis of modern primitivism as a consequence of the decline of Protestant culture and the search for new religious roots, and the distinction he draws between authentic primitivism and exoticism or *chinoiserie*. To me, at least, this affords new and suggestive insights into modern thought and contemporary literature.

The other contribution is his interpretation of Melville, which makes up the core of the book. In his analysis of the relation between Melville's symbols and the Jungian archetypes, he fills out systematically some of the hints offered by Matthiessen, Arvin and others. Centering his discussion on *Moby Dick*, he shows how some of Melville's central and "obsessive" symbols can best be regarded not as Christian

but as primitive archetypes. Thus the various Ishmaels are the innocent youth-outcast; Melville's repeated male friendships derive from *tayo*, the uniquely Oriental bond of fraternal friendship; Queequeg is the patriarchal holy man or the archetypal sage; and *Moby Dick* is the primitive nature god.

In this way Mr. Baird rescues Melville from the Freudians without handing him over to those who would find orthodox Christianity at the base of his feelings. He is quite convincing. Melville was indeed searching for something to replace the Protestantism he hated, and what he found and symbolized in his art is close to archetypal primitive religion. But sometimes the smugness of Jungians can be as annoying as the arrogance of Freudians. And occasionally, especially in his repeated dismissals of "psychological" interpretations as impertinent irrelevancies, Mr. Baird almost annoys. Though he has helped us to a richer understanding of *Moby Dick*, he has not provided the interpretation to end all. A study which presents Ahab as simply insane and demoniacal, the diseased "egoist-absolutist of Christendom," does not leave us with the feeling that we have received the true and only word. We will still listen part-time to Dr. Henry Murray and his fellow Freudians.

The Expensive Ally

U. S. ARMY IN WORLD WAR II. C.B.I. Theatre. STILWELL'S COMMAND PROBLEMS. By Charles F. Romanus and Riley Sunderland. Supt. of Documents. Gov't Printing Office. \$5.50.

By O. Edmund Clubb

WORLD WAR II resulted in the destruction of Japan's power position, tipping the political balance in East Asia in favor of the Soviet Union. The U. S. Government had hoped that China would function as a partner of the West, in the post-

O. EDMUND CLUBB spent twenty years in the Far East as a U. S. Foreign Service officer.

war period, to help maintain peace and stability in the Pacific region. On V-J Day, however, no strong Nationalist China stood ready to assume Japan's mantle of authority. Instead, in 1950, a Communist China allied itself to the U.S.S.R. and there thus came into being a combination of power, hostile to the West, unknown in Eurasia since the Mongol Empire of the thirteenth century.

In the present volume (the second of a series), Romanus and Sunderland depict with meticulous scholarship the logistical and military operations and political developments bearing on the China-Burma-India (CBI) Theatre for the year beginning October, 1943. This official war record shows why the original

American plans for China's role were destined to end in failure.

It is useful to recall the story's beginning. With Pearl Harbor, "Free China" and the United States became allied. The CBI Theatre was created, with Generalissimo Chiang Kai-shek Supreme Commander in China and Field Marshal Archibald P. Wavell commanding in India and Burma. Lt. Gen. Joseph W. Stilwell was designated Chief of Staff to Chiang, Commander of U. S. forces in the CBI and the President's representative in Chungking for Lend-Lease.

A pattern had appeared even before Pearl Harbor. In March, 1941, China requested, as lend-lease aid, 1,000 aircraft, equipment for thirty divisions and the development of "efficient" communications with China via Burma. As the authors reported in their first volume (*Stilwell's Mission to China*):

The general concept of giving China lend-lease aid . . . was approved because at this time in Washington there was a myth and a hope about China. An ardent, articulate and adroit Sinophile faction claimed that the Chinese were courageously and competently resisting the Japanese and needed only arms to drive them into the sea. The services were too well informed to share that belief, but they hoped that if the Chinese were rearmed, reorganized and trained they might cause the Japanese such concern as to bar any adventures in the South Seas. So the myth and hope converged, and lend-lease aid to China found increased support in high places.

The myth, the hope, and the politicking, with embroidery, all became integral parts of the subsequent Sino-American alliance.

THE BURMA campaign of early 1942 confirmed that the Chinese army, although numbering 3,800,000 men, was unfit for modern warfare. Stilwell proposed the creation of sixty first-class Chinese divisions, and President Roosevelt even agreed at one point to our equipping a total of ninety. Chiang Kai-shek opposed any reform of his unsound command hierarchy or any military action against the Japanese which he deemed might weaken him vis-a-vis domestic foes. The War Department

recommended that Lend-Lease to China should be contingent upon prior Chinese military reforms and current military performance. The President rejected this approach.

So, although Stilwell was enabled to start training the first thirty divisions, he "lacked all bargaining power and could only use persuasion to interest the Chinese in army reform." Thus handicapped, he met a challenge from Brig. Gen. Claire L. Chennault, charged with creating a U. S. air task force in China. Chennault contended that with 105 fighters, thirty medium and twelve heavy bombers, he could defeat Japan; and that if the Japanese tried to interrupt his air offensive by a ground advance against the East China air bases, existing Chinese forces could halt that advance—Stilwell to the contrary notwithstanding.

"The Generalissimo accepted Chennault's views" and joined those who were urging them on Roosevelt. Mme. Chiang Kai-shek and Chiang's brothers-in-law, Foreign Minister T. V. Soong and Finance Minister H. H. Kung, all at various times lobbied to that end in Washington. In May, 1943, Roosevelt abandoned the concept of Chinese army reform in favor of the air-war thesis.

The Cairo conference of Chiang, Roosevelt and Churchill in November, 1943, marked a turning point. Commitments were there made for a North Burma operation in which the royal navy would undertake an amphibious landing from the Bay of Bengal. But strategic estimates were

changed when Stalin promised at Teheran to enter the war against Japan, and the British amphibious operation was cancelled.

Chiang, upon receipt of the notification of the change of plan, told Roosevelt that it would be impossible for China to hold on for another six months in the existing situation; the only solution would be "to assure the Chinese people and army of your sincere concern in the China theatre of war" by (1) a billion-dollar loan, (2) doubling by spring the number of aircraft already agreed upon, (3) increasing air transport into China to at least 20,000 tons per month by February. Thus, in the war for survival, the Chinese Generalissimo fixed a clear dollar price for China's participation.

CHIANG Kai-shek misjudged both the military situation and the American President. China's strategic importance to the Allies was diminishing as U. S. naval strength increased. And Roosevelt, far from meeting Chiang's demands, now began to demand China action in return for U. S. aid already received. Before this new American firmness, newly trained Nationalist forces in mid-May advanced into North Burma as agreed at Cairo—without the amphibious operation. By August, the Chinese, American and British forces had won back North Burma. The land blockade of China was ended; Stilwell had accomplished what many called impossible.

In China also, at the same time, Stilwell was being proved right—and Chennault wrong. In a drive begun in April, the Japanese had swept through Central China practically without resistance from the one hundred Chinese divisions that faced them. Nearly all of Chennault's airfields had been overrun.

On July 4, the Joint Chiefs of Staff, in view of the critical situation, had recommended that the President urge Chiang Kai-shek to give command of all Chinese armed forces to "the only . . . man who has been able to get the Chinese forces to fight against the Japanese in an effective way"—General Stilwell. Roosevelt had done so, and Chiang had nominally acquiesced—but had

Upper Bay

the sun passes
Liberty in the afternoon
shadows grain
the bronze bay waters
where smoke slides
from a tug funnel
and blunt Manhattan
southward plunges
into the bay
the mariner rides
north to a river pier
the tug smoke drives
seaward down the Narrows
the sun darkens in Jersey City
and the gulls circle South Ferry

HAROLD DICKER

set up conditions and began to maneuver politically. Events now moved swiftly to their climax. The Japanese drive neared Kweilin, the last big air base in East China. Chiang threatened to withdraw his forces from North Burma. Roosevelt sent the Chinese Generalissimo a virtual ultimatum: fight. The enraged Chinese leader, unable to strike directly at the President, maneuvered to pull down the man designated to command the Chinese army, Stilwell. H. H. Kung in Washington seized an opening left by Presidential adviser Harry Hopkins, and Chiang gained "the last diplomatic victory he was to win for many years". Stilwell was recalled and left China on October 27, 1944. The Kweilin air base was lost less than a month later.

So General Albert C. Wedemeyer arrived in China at the end of October, 1944, to become Chiang's chief of staff; but, said Roosevelt, "I do not feel that an American should in the present situation assume responsibility in a command position for the operations of Chinese forces in China." Responsibility for the future was going to be Chiang's.

THE authors, writing a military history, were of course not charged with delving into the character of a war ally to disclose corruption and weakness *per se*. It nevertheless appears to this reviewer that, for an adequate portrayal of the gravity of the 1944 situation in China, several matters deserved fuller treatment. Public morale was at a low ebb. There was extensive trafficking with the enemy. Nationalist "guerrilla" units went over to the Japanese in large numbers and with distressing frequency. The Japanese drive of April, 1944, not only made the situation in Honan Province seem "hopeless," as asserted by the authors; it led to a complete Nationalist debacle in which the Chinese population itself rose up to join in the slaughter of Nationalist troops. And finally,

NOTE

The Heike Story by Eiji Yoshikawa (\$4.95), reviewed by Kenneth Rexroth in the issue of Sept. 29, will be published by Alfred A. Knopf on Nov. 12.

October 6, 1956

Chiang Kai-shek's position cannot be clearly understood without an adequate description of the military and political situation of the Chinese Communists.

The final volume of this series, *Time Runs Out in CBI*, is yet to appear, but the outcome is already known. The United States completed the training and equipment of thirty-nine Chinese divisions and supplied Chiang Kai-shek with an eight-and-one-third-group air force; but when the Chinese civil war was resumed in July 1946, most of the 300-odd Nationalist divisions were still third-rate—and Chiang had preserved the Army's corrupt command structure intact. In two and a half years, Chiang was beaten by a tougher army—that of the Communists.

The elder von Moltke observed that "Great successes in war are not achieved without great risks." In 1941, Roosevelt "had insisted that China be treated as a Great Power." Stilwell had held that, with sixty good divisions, China could take the lead in organizing an Asiatic League comprising China, Indo-China, Siam and India: "The Pacific Ocean would be controlled jointly by the United States and China. . . ." But Chiang Kai-shek was averse to taking military or political risks in World War II. In the end, the U. S. effort had saved the Generalissimo from the Japanese; but it could not save him from himself, his lobby in Washington and his own people.

Logic and Truth

GUIDES TO STRAIGHT THINKING. By Stuart Chase. Harper & Brothers. \$3.50.

By John J. Kessler

IT IS now more than twenty years since Stuart Chase wrote *Tyranny of Words* and got many people thinking about thinking for the first time, although they had been doing it all their lives without thinking about it.

Since then Chase has written many books that deal with man's basic

JOHN J. KESSLER, a chemist and physicist by profession, is now the editor of *Semantika* and a writer and lecturer on semantics.

problem, which is how to think straight about his land and his money and now his language and thought. *Guides To Straight Thinking* tackles the problem by devoting thirteen of its twenty-two chapters to thirteen logical fallacies, one chapter to each, with plenty of illustrative examples.

This is not a dry text book on logic; Stuart Chase does not write that way. It is an up to date book about the semantic discipline, stressing the aspects of logic. Chase writes that semantics teaches us to watch our prejudices and to take our exercise in other ways than jumping to conclusions. His analogies and metaphors are original. His illustrations remind us of what we run into every day.

"That was a fine speech the Senator made."

"I didn't think much of it. They say he never went to high school."

Man invented logic. He also invented the art of blowing up his own ego by deflating that of the other fellow. *Guides To Straight*

THE RADICAL NOVEL IN THE UNITED STATES 1900-1954

By Walter B. Rideout

From Friedman's *By Bread Alone* (1901) to the novels of James T. Farrell and Nelson Algren, here is a highly interesting evaluation of the entire range of socialist, "proletarian", and communist American fiction. These are the "radical" novels we have all read and talked about in their day, and in ours. Mr. Rideout's fresh appraisal of their significance, both as a literary form and as a mirror of our recent social and political history, makes thought-provoking reading.

\$6.00 at your bookstore



HARVARD
UNIVERSITY PRESS

Thinking will help keep us on the road to sanity. The Greeks discovered that man is a logical animal. They built a logical system around words rather than around fact finding. If the reader of this book, Chase

states, is content to go along with the Sophists and the Schoolmen he will not like it. If he wishes to get a straighter understanding of the logic of modern science he ought to like it very much.

FILMS

Robert Hatch

THE U. S. Army was right in refusing to lend equipment and advice to Robert Aldrich for *Attack!*, the movie version of Norman Brooks' *Fragile Fox*. I don't doubt that there were occasions in World War II when American combat officers proved themselves incompetent, venal, cowardly and hysterical (though Fox company suffers an almost implausible concentration of these character defects), but army public relations could scarcely be expected to help advertise its misfits.

Nor can I feel that in this case the army has held aloof from a work of originality or important public information. *Attack!*, for all its inner-directed bitterness, is built to a routine combat film pattern and plows up nothing new on the subject.

The main conflict between the craven captain (Eddie Albert) and the avenging lieutenant (Jack Palance) is more melodramatic than interesting. Flatness of characterization and the utter predictability of behavior are the main reasons for this. It is disappointing that Aldrich has directed Albert — normally an intelligent and subtle actor — in so banal a study of cowardice. The captain is a jelly; there is never the slightest reason to hope that he can pull himself together. Palance opens his role in a mood of seething anger and rises paroxysm by paroxysm to a state of insane rage. I guess he is the hero of the story, but he is as sorry a soldier as his captain. The chances are that Aldrich is not primarily responsible for this adrenalin behavior — Palance conceives all his parts in terms of hysteria.

The bang-bang part of *Attack!* has been done as well a score of times and the fact that weak, unstable men make unreliable soldiers does not require proof. It is what

war does to good men that is worth discussing.

KIRK DOUGLAS is another actor rather given to climbing the scenery, and it is remarkable that in *Lust for Life*, where the opportunities for rampage are tempting, he works with decent restraint. Vincente Minnelli, who directed, was apparently determined to make no circus of Van Gogh's career, and the picture accordingly is more moving than one might expect and as little embarrassing as much popular accounts of complex human beings can ever be.

The issue is whether the lives of artists — poets, painters, musicians, saints — can be told honorably within the limits of popular entertainment. The lives of warriors and adventurers and men of state — men of action — can be treated so; the result may not be profound but it can be balanced as far as it goes. But these others, however colorful the exterior of their lives, are men of spirit, and the spirit does not lend itself well to an unreflective narrative canter.

What you get in such an account is an eccentric, a costume "character," the piquancy of the story being that so unimpressive a fellow was producing such great work. But the effect depends on knowing in advance that Beethoven or Lautrec or whoever is a genius; no clue to the greatness appears in the narrative itself. Usually the artist on view is presented as pathetic (also good tonic for the audience ego), though it can be proved that pathetic souls never create enduring art.

The producers of *Lust for Life* are advertising that Van Gogh was "a flame, a force, a storm;" in the picture he behaves like a demented drygoods clerk who unaccountably

comes home from long rural rambles with one or another of Van Gogh's famous canvases under his arm. These he chucks carelessly into cluttered corners, thus causing the audience to gasp at such cavalier treatment of valuable property. Douglas is made up to look astonishingly like the artist and quite likely his exterior behavior was that of a demented clerk. But the exterior is just that and it seems second-rate to look at such a man as Van Gogh with shallow eyes.

All of which is more a criticism of popular art biography than of this particular picture. Houseman takes pains to show that Van Gogh worked hard, that he was a man of deep feeling as well as quick passion; it is just that the balance is wrong, and since the picture is meant to entertain a mass audience I don't see how it could be otherwise.

WORD is getting around that *Bus Stop* is the picture in which Marilyn Monroe at last shows that she can act. Perhaps so, but the quality of her craft is not yet at a level that rises above the disadvantages of a chuckle-headed script. She manages to look wan and low-spirited and that is how I felt watching this decremented version of an excellent Broadway show.

Inge's play was no masterpiece, but it was cleverly constructed and animated with enough wit and complexity of character to keep an audience nourished for a couple of hours. The studio has excised all the individuality and substituted a theme song; also two dear little children who are given exactly nothing to do. Every character retained from the original has been reduced to the L'il Abner level, with the result that Miss Monroe is required to play a moron falling in love with an idiot, while an assortment of halfwits comment on the developments. It would not be a promising assignment for the most talented actress. Her big scene, in which she sings "That Old Black Magic" in the manner of a torch singer with no talent for the work, is so overplayed as to suggest that she is still not in the top rank. Joshua Logan's direction was without effect.

TELEVISION

Anne W. Langman

ONE OF the few great men of television's first decade is Sylvester L. (Pat) Weaver who resigned last month as Chairman of the Board of NBC. In seven years at that network he invented bold program concepts which advanced the scope and importance of the industry by rapid strides. He believed that a good show needed time for preparation, time for presentation. He dared to break the pattern of radio and early TV by introducing irregular sixty- or ninety-minute feature programs—the Spectaculars, now accepted as routine—which account for many of the viewing high spots of the last few years. He demonstrated the value of the magazine-type show, where the network controls the content and the financial burden is divided among many advertisers, none of whom could afford to carry it alone. *Home, Today, Tonight*, and most recently *Wide Wide World* are Weaver-conceived staples on the NBC shelf. His "enlightenment through exposure" plan, which never really got started, was directed toward raising program standards.

Yet in a few short weeks, he has been officially washed out of NBC's hair, their only comment a three-sentence announcement of his resignation. Sarnoff pere and fils have created a new executive set-up and in the flurry of reorganizational panic there are only a few whispered reminiscences and off-the-record praise for Weaver's achievement. Press comments have dwindled to occasional rumors and speculative gossip about his future plans.

It would be out of character for Weaver to allow himself to be quietly forgotten, but his contract obligations supposedly prevent him from taking any other industry job for a time. In the interim, why doesn't he apply his talents to the impoverished area of educational TV? For years, millions of Ford Foundation dollars have been available to the Educational Radio and TV Center at Ann Arbor, Michigan which is

supposed to service twenty-two educational TV stations and many more radio stations. At present the center distributes films, kinescopes and recorded shows to these stations as a routine service. What educational TV stations need are fresh programs, created for them, to capture what everyone admits is a very large but still mostly potential audience. Weaver is equipped by temperament and training to do just that job and he could find nowhere a better opportunity to use his knowledge than in this undeveloped field.

THERE'S plenty of politicking on TV these days, and expensive politics at that. But as far as I can see, neither party has been able to win friends and influence people by its use of video time. Politicians are rarely performers, yet they are assigned to deliver the goods in a way which would alarm the most experienced professional. Stevenson, in his opening speech at Harrisburg, for example, gave the impression of being at a Forest Hills tennis match as he read from teleprompters at the right and left of the camera. The new "soft-sell" technique required President Eisenhower to read his 25-minute opening speech from a notebook under glaring lights which revealed his peace-in-good-health as extreme weariness. The camera mercilessly let us see his hands shake as he turned the pages and robbed him of any vigor or authority.

The only successful shows I've seen are the interviews such as *Meet the Press* and *Face the Nation* where professional competence in production and execution makes possible clear and well-defined statements of policy and point of view. The Madison Avenue geniuses who have taken over candidates and campaigns spend much time promoting the collection of funds for the purchase of more TV time, while pocketing a comfortable profit from these accounts. When are they go-

ing to devise a television technique related to the purposes and capacities of their public stars?

IN THE aridity of this season, Sunday, October 7, is a welcome oasis with two shows that promise to be worth watching. The Murrow-Friendly *See It Now* series returns to CBS for the fall season with an hour-long report on Suez. This will be their fifth visit to Africa and producer Friendly says that he will continue to bring news-in-depth reports on it to viewers as long as the continent continues to be the biggest story in the news. Cameramen on the spot until the very last minute before the show will add up-to-date developments to Murrow's interview with Nasser and leaders of the Western big three powers.

Leonard Bernstein, who opens the new *Omnibus* series on ABC tomorrow, is fascinated with TV. I believe that he will fascinate viewers in return as he explores the art form of musical comedy with some of Broadway's foremost artists illustrating his commentary. Last season he gave similar memorable treatments to jazz and to the symphony.

Coming October 29

Fall Books

Essays by Frank O'Connor, Frances Fergusson, Kenneth Rexroth, Maxwell Geismar and others. Reviews; Poetry.

TESTIMONIAL BANQUET

honoring attorneys

JOSEPH FORER and DAVID REIN
of Washington, D.C.

Guest Speakers

The Rev. Kenneth Ripley Forbes
Corliss Lamont
Prof. Louise Pettibone Smith

6 P.M., THURSDAY, OCTOBER 11

Moderne Room, Hotel Belmont Plaza
Lexington Ave. at 49th St., N.Y.C.

Reservations: \$6.00 a person

Auspices

American Committee for Protection
of Foreign Born

23 West 26 St., N.Y.C. MU 4-3457

October 6, 1956

MUSIC

By B. H. Haggin

CONSIDERING Elliott Carter's String Quartet, which the Walden Quartet plays on Columbia ML-5104, I have thought again of the statement Edmund Wilson made once about a novelist: "What she wants other people to know she imparts to them by creating an object, the self-developing organism of a work of prose." Carter has created out of musical sound an object which for Desmond Shawe-Taylor of the London *New Statesman and Nation* was "continuously absorbing and impressive" and said something "urgent and very much his own," and which Virgil Thomson found "complex of texture, delicious in sound, richly expressive and in every way grand." And I am able to appreciate the impressiveness of Carter's enormously complex object, but not what he wanted to communicate by means of it; nor do I find it, simply as an object, enjoyable or interesting to listen to. The difficult work is played superbly; and Columbia should also record the Budapest Quartet's performances in whatever way produced the excellent sound of this one by the Walden Quartet.

The record with the Carter Quartet is one of Columbia's Modern American Music Series this year; and another, ML-5106, has Copland's *Twelve Poems of Emily Dickinson*, sung by Martha Lipton with the composer at the piano. I liked the songs when I heard them several years ago, and am surprised to find that I like them less this time: I hear not lyrical gift but contrivance, with too evident effort and only intermittent success. Except for a few notes that are too high for her,

Miss Lipton sings beautifully. On the reverse side is Hugo Weisgall's *The Stronger*, a dramatic monologue which is a competent use of present-day musical resources for the purposes of the text. It is sung well by Adelaide Bishop with a chamber orchestra under Alfredo Antonini.

BETTER music by Copland is on MGM E-3367: the previously issued *Music For the Theatre*, performed by Izler Solomon with a chamber orchestra, to which are now added *Music For Radio*, performed by Arthur Winograd with a symphony orchestra, and *Music For Movies*, performed by Winograd with a chamber orchestra. *Music For the Theatre* was the first piece by Copland I heard, in 1925; and the creative power that was unmistakable in it then is just as impressive now. Afterwards Copland produced increasingly unattractive and inaccessible works in a harshly dissonant modern idiom; but *Music For Radio*, composed for the Columbia Broadcasting System in 1937, is one of the pieces—mostly ballet and film scores—in which he began to write again in a simpler and more attractive idiom; and this idiom is very lovely in some of the excerpts from film scores that he made into the suite *Music For Movies*. I had always thought the idiom was new; but in *Music For the Theatre* this time I heard details similar to what I had just heard in the later pieces. The performances are good.

Another record in Columbia's Modern American Music Series, ML-5105, has Roger Sessions' Second String Quartet, an elaborately

constructed object which my ear finds ugly, and which communicates nothing to me. Superb playing by the New Music Quartet is reproduced beautifully. On the reverse side is Colin McPhee's Concerto for piano and wind octet, composed in 1928, which is agreeable to the ear but of little interest today. It is performed well by Grant Johannesen with wind instruments under Carlos Surinach.

John Verrall's Prelude and Allegro for strings, on MGM E-3371, is interesting in the way it transforms older materials with modern dissonance. And though after several hearings of Richard Donovan's *Soundings* for trumpet, bassoon and percussion I still can't hear the five-part structure and the thematic relations Donovan writes about, my interest is held by this curious piece in which the two wind instruments make fragmentary and unrelated statements that are commented on by the percussion—with the comment getting to be more important than what it comments on. But the Swedish composer Karl-Birger Blomdahl's Chamber Concerto for winds, percussion and piano is another unattractive object that communicates nothing to me. Good performances by various groups under Surinach.

WITH a performance of Roy Harris' Symphony No. 7 by Ormandy and the Philadelphia Orchestra, Columbia ML-5095 offers the performance of the Symphony 1933 that Koussevitzky recorded with the Boston Symphony more than twenty years ago. The envelope quotes press comments on the distinctively American character of the earlier work, and similar comments on the recent one; and listening to the Symphony 1933 after many years I not only hear again hoarse incoherent ranting where others heard "music of the bleak and barren expanses of western Kansas, of the brooding prairie night, of the vast darkness of the American soul," but am struck by the European, the Italianate, the almost Puccini-like character of the quieter melodic sections. And listening to No. 7 I hear only a similar raucous pretention to portentous utterance.



The DEVIL IN THE BOOK

BY DALTON TRUMBO

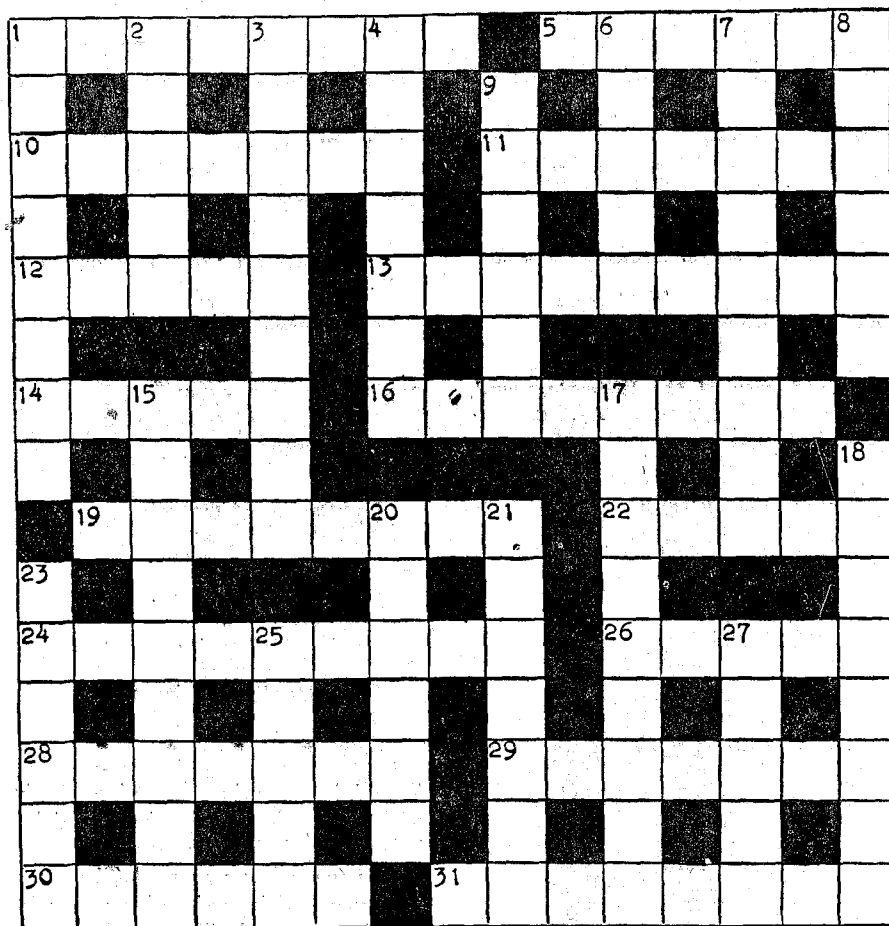
Facts concerning the controversial Smith Act Trials, by the author of *Johnnie Got His Gun*, *Remarkable Andrew*, and screenplays *Kitty Foyle*, *Thirty Seconds Over Tokyo*, and *A Guy Named Joe*.

15c PER COPY • LESS IN QUANTITIES

C.E.D.C. PUBLISHERS • 323 S. WESTERN AVE. • LOS ANGELES 5, CALIF.

Crossword Puzzle No. 692

By FRANK W. LEWIS



ACROSS:

- 1 The main error in bad golf is trying to make a birdie! (8)
- 5 Undetermined like live wood might be. (6)
- 10 The drivers might be seen wavering, when full of gin. (7)
- 11 This is often trying to make a point the hard way. (7)
- 12 Judge his this in all respect. (5)
- 13 Not likely to be a settler. (9)
- 14 Certainly not a loss likely to be repeated. (5)
- 16 One who obtains game for the intellectual? (2-6)
- 19 Impropriety committed by Miss Cole? (8)
- 22 An important stream in Russia or Tartary. (5)
- 24 Frederic's Ruth was such a maid-of-all-work. (9)
- 26 Perhaps unfamiliar game of "Reel and Rod". (5)
- 28 I leave the storekeeper more pliant. (7)
- 29 How to defensively hold more than one of mine close to the body? (7)
- 30 Establishment of canvas on board, made by a rascally crew. (6)
- 31 Somewhat of an obstacle, when all is "said" and "done". (8)

DOWN:

- 1 Certainly not a worn-out fellow in

- the first year. (8)
- 2 Gas could be responsible for a sort of painful sound. (5)
- 3 Sort of nice with 2, and sometimes blissful. (9)
- 4 Command given to David? (Certainly not "duck!") (7)
- 6 Fish in the corner, perhaps. (5)
- 7 Sounds as though one might listen for the detective, when he's 24. (9)
- 8 Figures to understand its combination in youth? (6)
- 9 To label a sticker inside might mean wrapping it up! (6)
- 15 This might make Cora happy, but not necessarily authoritative. (9)
- 17 What one does in an above-board swap with the grocer, perhaps. (9)
- 18 To sum up, the surrounding hands might be threatening to be single-minded believers. (8)
- 20 Becomes liable to this, in mean dogs. (6)
- 21 Better duck, when a small quantity comes up about everything! (7)
- 23 Resorts to writing in short jerks. (6)
- 25 There's little more than fifty put up around it in the garden. (5)
- 27 A little Liberal I make an excuse for. (5)

(See solution to last week's puzzle at right)

RESORTS

50 Miles to FOREST HOUSE

Near enough for a weekend, fine enough for a season's stay. Luxury and comfort in a fireproof building. AIR-CONDITIONED and ELEVATOR-SERVICED . . . Unexcelled cuisine. Tops for sports. Nat Manners Orchestra; Benito & Gloria, dance team . . . Sophisticated entertainment.

FOREST HOUSE

Lake Mahopac, N.Y. • Tel. Mahopac 8-3448
In N.Y.C. Phone (local rate): FAirbanks 5-7227

LITERARY SERVICES

COMPLETE LITERARY SERVICES. Write for terms. No obligation. Daniel S. Mead, Literary Agent, 419 Fourth Avenue, New York 18.

TRANSLATIONS. Scientific and Technical: German, Scandinavian, French, Spanish, Italian, Russian. Nelles Translations, 119 West Ontario Street, Chicago 10, Ill.

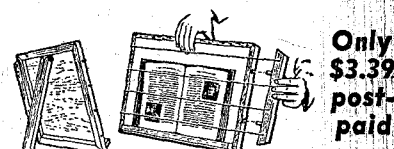
INSURANCE

carl
jack r. **BRODSKY**

Any Kind of Insurance
Life and General

799 Broadway, N. Y. C. GR 5-3826

PERSONALS



Only
\$3.39
post-
paid

Nearly double reading, studying speeds with an ELASTI-STAND (instructions tell how). Four strong rayon-elastic cords hold books, loose papers securely flat even in strong breeze. Device permits fast page turning. Adjustable slant saves eyes, energy, aids efficiency. Wonderful for library research, typing, bedreading, reading to children, posting business and professional records. Sturdily made to last lifetime. Rabbeted \$6.66, Frameless \$3.99 POSTPAID. If not delighted money refunded instantly! NORMAN E. LYKES CO. (N-2), 302 Route 2, Scottsdale, Ariz.

ADMIRAL TELEVISION—21" Console, all wood cabinet. Regularly \$229.95. Now at less than dealer's cost \$159.95. Comparative savings on table models. Standard Brand Dist., 143 Fourth Avenue (13th & 14th Sts.), N. Y. C. GR 3-7819. 1 hour free parking.

102 TOYS for U. N. Friends—Free list by return air mail. Pacific New England, Inc., Box 1152, Studio City, Calif.

BUSINESS OPPORTUNITIES

\$70 WEEKLY—home, spare time. Simplified mail bookkeeping. Immediate income—easy! Auditax, 34757EA, Los Angeles 34.

**BUY
UNITED STATES
SAVINGS BONDS**

SOLUTION TO PUZZLE NO. 691:
ACROSS: 1 WANTONLY; 5 SPITES; 10 INFER; 11 GYROSCOPE; 12 EARNEST; 14 COFFER; 15 GLEANER; 18 HASTISH; 21 CHIVVY; 24 EXTRACT; 26 LITTLER; 27 MANDOLINE; 28 KNITS; 29 NOOSES; 30 PERSISTS. DOWN: 1 WHITEN; 2 NEFARIOUS; 3 OURSELF; 4 LIGHTER; 6 PASSAGE; 8 SMELTERS; 9 EERING; 16 NOVELTIES; 17 AND 13 THREE MEN IN A BOAT; 19 ISADORE; 20 HATTIE; 21 COLLEGE; 22, 7 AND 25 IT TAKES TWO TO TANGO; 23 PRISMS.



who writes for **THE NATION**

-in the academic world?

Walter Allen
Visiting Professor at Coe College
H. Azima
McGill University, Montreal
W. Macmahon Ball
University of Melbourne
T. Balogh
Balliol College, Oxford University
Milton L. Barron
City College of New York
Barnet Baskerville
University of Oregon
Harry J. Benda
University of Rochester
Harold J. Berman
Harvard University
James Bertram
*Victoria University College,
New Zealand*
William Bittner
New School for Social Research
J. Bronowski
University College, Hull, England
David T. Cattell
University of California
John W. Caughey
University of California
David F. Cavers
Harvard Law School
Louis O. Coxé
Bowdoin College
Paul Crosser
City College of New York
John A. Crow
*University of California at
Los Angeles*
Douglas F. Dowd
Cornell University
Richard Eberhart
Princeton University
Abraham Edel
City College of New York
S. Lane Faison, Jr.
Williams College
E. Franklin Frazier
Howard University
Robert E. Garis
Wellesley College
Pieter Geyl
University of Utrecht, Netherlands
Harvey Goldberg
Ohio State University
Albert Guérard
Stanford University

David Hamilton
University of New Mexico
John Ise
Goucher College
Horace M. Kallen
New School for Social Research
Jacob Korg
University of Washington
Albert William Levi
Washington University
Julius Lewin
*University of the Witwatersrand,
Johannesburg, South Africa*
Geoffrey Lewis
Oxford University
Alfred R. Lindesmith
Indiana University
Richard A. Long
Morgan State College
Stephen Love
*Northwestern University
Law School*
Robert S. Lynd
Columbia University
R. T. McKenzie
London School of Economics
William Meredith
Connecticut College
Ruth Monroe
*City College of New York and
Sarah Lawrence College*
Edwin Muir
Harvard University
Iris Murdoch
*St. Anne's College,
Oxford University*
John Murra
Vassar College
Ernest Nagel
Columbia University
Elizabeth Pokorny
Vassar College
Lyll H. Powers
University of Wisconsin
C. Herman Pritchett
University of Chicago
Donald A. Roberts
City College of New York
M. L. Rosenthal
New York University
Frederick L. Schuman
Williams College
Charles Shapiro
Wayne University

C. A. Siepmann
New York University
Thomas C. Smith
Stanford University
Warren S. Smith
Pennsylvania State University
David Thomson
*Sidney Sussex College,
Cambridge University*
William Y. Tindall
Columbia University
Rexford Guy Tugwell
University of Chicago
C. H. Waddington
University of Edinburgh
William Appleman Williams
University of Oregon
John R. Willingham
Centenary College
H. H. Wilson
Princeton University
Richard Wollheim
London University
C. Vann Woodward
Johns Hopkins University

* * *

Wouldn't you enjoy a meeting of minds with leading international academicians? That's precisely the experience that awaits you when you read *The Nation*. The roster of its university and college contributors reads like a "Who's Who" in the world of learning—as the partial listing above shows.

These men and women analyze a given situation with profound knowledge of the subject matter. Their interpretation of events clarifies and deepens your own thinking. In fact, it is not so much a question of whether you would enjoy reading them, but rather one of how you can possibly afford to miss them! Why don't you follow these stimulating thinkers regularly by entering your subscription to *The Nation* right now? Simply use the coupon below.

THE
Nation

THE NATION, 333 Sixth Avenue, New York 14

Please send THE NATION

☐ One Year, \$7 ☐ Three Years, \$17
☐ Two Years, \$12 ☐ 6 Months, \$3.50
(Canadian and Foreign Postage \$1 a year extra)

NAME _____

ADDRESS _____

CITY _____ ZONE _____ STATE _____

10-6-56